



HALEY WARD®
ENGINEERING | ENVIRONMENTAL | SURVEYING

MEMO

To: Billie J. Theriault, Regional Supervisor | Land Use Planning Commission

From: Jon Whitten, Jr., PE and Ben Kaiman, EI

Re: Cross Lake Subdivision – Response to LUPC Review Comments

Date: February 22, 2024

On behalf of our client, Iving Woodlands, LLC, Haley Ward, Inc. (Haley Ward) has prepared the following responses to comments received on January 26, 2024, from the Land Use Planning Commission regarding the Site Location of Development Act Application that was submitted on October 12, 2023. Ordinance Requirements are in Bold, Land Use Planning Commission Comments are in Italics, followed by our responses in plain text.

A. Emergency Egress:

- Section 10.25,D,4,d,(1) – All subdivisions that include a new interior road exceeding one-quarter mile in length must include provisions for all lot owners to have at least two ways of emergency egress from the development. Emergency egress may include: (i) egress by water for subdivisions on water bodies, provided there is a legally enforceable right of egress off the water body such as a public boat ramp or dock, and (ii) may include existing motorized trails maintained for public access, provided all lot owners have a legally enforceable right to access the trail.**

In order to fully address this provision, please provide information to support that the proposed 10-foot wide "Reinforced Turf" ROW is sufficient for all emergency egress from the development and how lessees will have legal access. Include information on who is constructing and maintaining it for year-round use, lease or by-law language providing legal access for all lots, etc. In addition, details about the use, improvement, and maintenance of the short crossroad that would be accessed by the emergency egress should also be provided to ensure it is suitable and accessible year-round. Finally, should any of the new emergency access be located on the lands under the Conservation easement, written permission from the Forest Society of Maine will be required.





The 10-foot reinforced turf access trail is to be constructed to provide a second means of emergency access out of the development. The gravel base of the turf access trail will provide sufficient support for a wide variety of recreational vehicles. Year-round maintenance to ensure emergency egress from the development is required. The applicant/owner is preparing draft lease agreements and association documents that will describe and define: lessee membership, lot lessee rights and privileges, association responsibilities and authority, operating procedures, proper capitalization to cover operating costs, and the applicant/owner's responsibilities until development sufficient to support the association has taken place. Responsibilities of the association will include the maintenance of common property, infrastructure, or facilities; assessing annual charges to all lessees to cover expenses; and the power to place liens on property of members who fail to pay assessments. the requirement to maintain two avenues of emergency access from the development.

The document will specifically discuss the requirement to maintain at least two ways of emergency egress, year-round, will include the maintenance of secondary roads or trails that are connectors to a main road, even if they are outside of the development area.

B. Road and Infrastructure Maintenance and Associations:

1. Section 10.25,D,4,d,(4) - Subdivision designs must include a plan for long-term maintenance of the subdivision access roads and common infrastructure, including but not limited to maintenance of drainage structures, water crossings, and road grading or resurfacing. The plan must include a list of inspection and maintenance tasks, recommended task frequency, and a responsible party.

If an association is proposed for maintenance of roads and common infrastructure, documents necessary for establishing the association must be created. The documents must require lot owner or lessee membership, lot owner or lot lessee rights and privileges, association responsibilities and authority, operating procedures, proper capitalization to cover operating costs, and the subdivision developer's responsibilities until development sufficient to support the association has taken place. Responsibilities of the association must include the maintenance of common property, infrastructure, or facilities; assessing annual charges to all owners or lessees to cover expenses; and the power to place liens on property of members who fail to pay assessments. The following governmental entities are not required to be members of road associations: the State; executive branch agencies of the State; counties; municipalities, townships, or plantations; or the federal government. Those governmental entities, however, should work with associations to create an agreement through which, subject to allocation by the Maine Legislature or applicable budgetary authority, the governmental entity would contribute a fair percentage of the minimum maintenance and repair costs through financial contributions or in-kind services.

The applicant/owner is preparing draft lease agreements and association documents that will describe and define: lessee membership, lot lessee rights and



privileges, association responsibilities and authority, operating procedures, proper capitalization to cover operating costs, and the applicant/owner's responsibilities until development sufficient to support the association has taken place. Responsibilities of the association will include the maintenance of common property, infrastructure, or facilities; assessing annual charges to all lessees to cover expenses; and the power to place liens on property of members who fail to pay assessments.

2. Section 10.29-FRL - Common infrastructure, such as roads, open space, water access sites, and stormwater management structures may be managed by a road association or an owner's association. (see attached Section 10.29-FRL for more details).

Please provide a detailed plan for long-term maintenance of the subdivision access roads and other common infrastructure in accordance with these provisions. Explain how associations would be formed or expanded and provide a draft of the Proposed Bylaws and Authority for the Association(s).

The applicant/owner is preparing draft lease agreements and association documents that will describe and define: lessee membership, lot lessee rights and privileges, association responsibilities and authority, operating procedures, proper capitalization to cover operating costs, and the applicant/owner's responsibilities until development sufficient to support the association has taken place. Responsibilities of the association will include the maintenance of common property, infrastructure, or facilities; assessing annual charges to all lessees to cover expenses; and the power to place liens on property of members who fail to pay assessments.

C. Subdivision and Lot Creation:

1. Section 10.25,Q,3,c – General Standards for Building Envelopes

a) Building envelopes shall be identified on each lot, designating suitable areas where structural development and permanently maintained cleared openings may occur. Activities not counted as permanently maintained cleared openings include a single driveway for access to the building envelope, cleared areas that are mowed less than twice a year, areas used for agricultural management activities, and trails for recreational access.

b) Building envelopes shall be shown and labeled on the subdivision plat. In addition, building envelope requirements shall be included in deed covenants for each lot specifying that structural development and permanently maintained cleared openings shall be located within the building envelope as shown on the Commission approved subdivision plan, as it may be amended from time to time.

c) Building envelopes shall be located and sized to allow conformance with the Commission's dimensional requirements in terms of minimum water body, road, and property line setbacks, and maximum lot coverage requirements,



as provided in Section 10.26; and vegetation clearing standards for shorelines and public roads, as provided in Section 10.27.

d) Where practicable, building envelopes shall be arranged:

- i. In groups, allowing for larger open areas between groups of building envelopes;**
- ii. To avoid placement along ridgelines, on prime farm land soils, in wetlands or drainage areas, on sustained slopes greater than 20 percent, or over any other topographic or natural features important to the site; and**
- iii. To maximize privacy afforded to each dwelling unit, such as providing sufficient buffering vegetation and staggering building envelopes.**

2. Section 10.25,Q,4,a,1 - Basic Subdivision Layouts. Building envelope size shall be limited to no greater than 40 percent of the size of each lot. Currently, the plans do not identify the building envelopes and the "Permitting Setback" feature on the plans exceeds 40 percent for each lot.

In order to meet these provisions, please identify the Building Envelopes on the Plans, referring to them as "Building Envelope", reduce them to no greater than 40 percent of the size of each lot and arranging them as required above. It is common for a Building Envelope Summary table to be included on the plan with the Lot Size, Building Envelope size and percent for each lot. Attach a sample lease or covenants with required language for leaseholders.

We have revised the plans to show 0.4 Acre size "Potential Building Envelopes" for each lot. Each lot is labeled with the total lot area. At no time does the 0.4 Acre area exceed 40 percent of the lot area. Additionally, the assumed impervious area with the building envelopes will not exceed 30 percent of the lot area, meeting the provisions of "Maximum Lot Coverage" in Section 10.26,E,1.

D. Supplemental Subdivision Standards:

- 1. Section 10.25,Q-FRL,1 – Access to Subdivision. As part of any subdivision review, the applicant must demonstrate that roads will provide adequate access for emergency services, as appropriate given the character of the specific development area. The analysis will include access roads from the subdivision out to an existing public roadway, even if this extended beyond the boundaries of the subdivision being proposed. The level of such service shall be appropriate to the setting, and thus may vary throughout the Plan Area.**
- 2. Section 10.25,Q-FRL,2 – Subdivision Buffers. Where the residential development areas in the D-FRL-RS zone are adjacent to lands in the M-FRL-GN zone, subdivisions shall be designed to provide the opportunity to incorporate sufficient buffers to provide visual separation and some sound attenuation from the forest management operations that may occur on the abutting land. The subdivision plan shall demonstrate that a sufficient buffer is being provided for the subdivision overall (e.g., incorporating buffers into open space or requiring vegetated buffers) or that individual building lots have suitable vegetation and area to allow**



homeowners the opportunity to preserve a sufficient buffer to provide separation between homes and potential forest management activities.

Please provide narrative descriptions and supporting information that will enable the Commission to determine compliance with the provisions listed above.

As shown on the plans, the proposed access roadway and reinforced turf trail will have 18-inches of base gravel installed, which is common for roadways that are to support emergency vehicles. The access roadway will have another 6-inch layer of gravel and then a surface coat of gravel to provide a smooth travel surface and to offer additional support for larger vehicles. The access roadway will be 18 feet wide and will terminate in a cul-de-sac to provide ample room for emergency vehicles to turn around. The turf trail is proposed to be 10 feet wide and will support a variety of recreational vehicles, including pickup trucks and similar sized vehicles.

The main road that provides access to the western side of Cross Lake is West Side Road. Existing, secondary gravel roads surround the development site in a block pattern and provide access to West Side Road. The association documents will require maintenance of these existing gravel roadways to ensure that emergency egress to West Side Road is available year-round from the development.

The applicant/owner is providing between 650 feet and 925 feet of forested buffer between the northern limits of development and West Side Road. A 50-foot forested buffer is also proposed along the southern boundary of the subdivision to provide a visual buffer between the subdivision and the existing gravel roadway. Building Envelopes are sized such that the effective forested buffer will be much deeper than 50 feet. It is the intention of the applicant/owner that these buffer provisions meet and exceed the buffer requirements for the subdivision.

E. Additional Standards:

- 1. Pursuant to Section 10.32-FRL – a Phosphorus allocation must be allocated to this development. While the Maine DEP is the lead permitting agency for this application regarding phosphorus control, the LUPC is responsible for tracking phosphorus allocations pursuant to the plan.**

Please identify the specific annual phosphorus allocation for this development.

We have revised the Stormwater Management Report within Section 12 to specifically discuss the Phosphorus Allocation for the Cross Lake Development Areas, as defined within "The Fish River Chain of Lakes Concept Plan" dated June 2019. We have added a table that represents a scorecard, showing the total allocation, amount used for this development, and the amount left for future developments within the Cross Lake Watershed.

- 2. Pursuant to Section 10.26-FRL – dimensional requirements and setbacks are in accordance with the Plan except that Section 10.26,G from Chapter 10 shall apply as supplemented by 10.26-FRL,G-1 of the Plan.**



The applicable setback requirements from Section 10.26-FRL should be included in the sample lease language, on plans and/or in other covenants.

The applicable setback requirements for the D-FRL-RS district, from Section 10.26-FRL, are to be included in the draft lease agreement and association documents being prepared by the applicant/owner. The appropriate setbacks have been revised on the plans.

**Recreational Camp Lease
(Maine)**

This Lease Agreement (the “**Agreement**”) is dated effective as of _____, 202[___] and is by and between **ALLAGASH TIMBERLANDS L.P** (the “**Land Owner**”) and _____ and _____ (the “**Tenant**”).

The parties agree as follows:

KEY TERMS:		Lease #:
Subdivision:	Burnt Landing Campsites situated in Township 17, Range 5, W.E.L.S. (Cross Lake Township), Aroostook County, State of Maine, as depicted on plan entitled “_____” dated _____, prepared by Haley Ward and recorded in the Aroostook County Registry of Deeds in Plan Book ____, Page _____, (the “ Subdivision Plan ”), a copy of which is attached here to as Exhibit A.	
Concept Plan:	The Fish River Chain of Lakes Concept Plan approved by the Maine Land Use Planning Commission (“LUPC”) on September 11, 2019 pursuant to Zoning Petition ZP 768, effective as of September 26, 2019, as the same may be amended or supplemented from time to time.	
Subdivision Declaration:	Declaration of Rights, Covenants, Conditions and Restrictions of the West Cross Lake [A] Subdivision attached hereto as Exhibit B , as the same may be amended or supplemented from time to time.	
Leased Property:	Certain land situated in the Burnt Landing Campsites Subdivision being Lot _____ as depicted on the Subdivision Plan, <u>together with and subject to</u> the rights, covenants, conditions and restrictions set forth in the Subdivision Declaration.	
Term:	Start Date: June 1, 202[___] End Date: May 31, 202[___]	
Annual Rent:	Annual Rent (due in full on or before signing):	\$_____ (USD) <input type="checkbox"/> Waterfront <input type="checkbox"/> Non-waterfront
Processing Fee:	New Lease/Assignment of Lease	\$750.00 (USD)
Proof of Insurance:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If Yes, please attach; new certificate required with each annual payment)	

1. Leased Property. Land Owner hereby leases to Tenant, and Tenant hereby rents from Land Owner, the Leased Property (as defined in the Key Terms above), together with and subject to the terms and conditions of the Subdivision Declaration (as defined in the Key Terms above) and all other terms and conditions of this Agreement. Tenant accepts the Leased Property in “as is” condition. Tenant acknowledges that neither Land Owner nor any agent or representative acting on behalf of Land Owner has made any representation of any kind regarding the condition of the Leased Property or the suitability of the Leased Property for any purpose.

2. Term. This Agreement will be for the Term (as defined in the Key Terms above), commencing on the Start Date indicated above and ending on the End Date indicated above. Renewal of this Agreement upon expiration of the Term, and the terms and conditions of any such renewal, shall be at the discretion of Land Owner.

3. Payment of Annual Rent. Tenant shall pay the Annual Rent (as defined in the Key Term above) to Land Owner in a single payment, without setoff or deduction, at P.O. Box 5777, Saint John, NB E2L 4M3, Attn. Property Manager, or at such other place as Land Owner may designate in writing, on or before commencement of the Term.

4. Use

(a) The Tenant's rights to utilize and occupy the Leased Property as specified herein are solely for residential and non-commercial personal recreational use and for no other purpose whatsoever. For greater certainty, commercial or "for-profit" activities are strictly prohibited.

(b) The Tenant acknowledges that the use of the Leased Property is on an "as-is where-is" basis and the Tenant is responsible for determining its suitability for the safe use by the Tenant or the Tenant's visitors, invitees, agents or representatives (together, "**Representatives**").

(c) The Tenant and its Representatives will comply with all laws, ordinances, regulations, permits and approvals which apply to the Subdivision and to the Leased Property, and to their respective use of the Leased Property and their respective activities conducted thereon, including, without limitation, obtaining all permits and approvals for any such use and activities. In furtherance of the forgoing and for greater certainty, the Tenant and its Representatives will comply with the terms and provisions of the Concept Plan (as defined in the Key Terms above) and all environmental laws and regulations including, without limitation, all laws, rules and regulations with respect to the protection of streams, rivers and other waterways, as applicable.

(d) The Tenant will not construct any new or additional buildings or structures or otherwise make any improvements (collectively, the "**Tenant Improvements**") on or to the Leased Property without the prior written consent of the Land Owner, which consent may be withheld or conditioned in the Land Owner's sole discretion. If Land Owner does provide such consent, Tenant shall not begin construction until Tenant has first obtained, at Tenant's sole cost and expense, a building permit or other required approvals, as applicable, from the municipality, Maine Land Use Planning Commission or from any other governmental agency, as applicable. All construction of Tenant Improvements shall be made at Tenant's sole expense and must be undertaken in compliance with the terms and provisions of the Declaration, all permits and approvals, including without limitation requirements of the Concept Plan and any permits and approvals issued in connection with approval of the Subdivision and as set forth on the Subdivision Plan, and all applicable building codes, laws, regulations and ordinances. Tenant shall obtain, or require its contractors to obtain, commercially reasonable levels of general liability insurance and workers compensation insurance for its contractors and their employees.

(e) All Tenant Improvements shall be constructed in a good and workmanlike manner. Tenant shall (i) not allow any mechanics liens or liens of any nature to be placed against the Leased Property, the Subdivision or any other property of Land Owner, or any portion thereof, and in the case of any such lien attaching by reason of the conduct of the Tenant, Tenant shall immediately discharge the same and (ii) defend, indemnify and hold harmless Land Owner against and from any and all liability, claim of liability or expense (including, by way of example rather than of limitation, that of reasonable attorneys' fees) incurred by Land Owner on account of any such lien or claim. This provision shall not be interpreted as meaning that Tenant has any authority or power to permit any lien of any nature or description to attach to or be placed upon Land Owner's title or interest in the Leased Property, the Subdivision or any other property of Land Owner, or any portion thereof. In addition to any other indemnifications or releases set forth herein, Tenant hereby releases and agrees to indemnify Land Owner for any and all claims, liabilities or losses of any kind and description which may arise out of or be connected in any way with any Tenant Improvements, including the construction, maintenance or repair of the same, or with any of the Tenant obligations set forth in in this Section.

5. Maintenance and Repair.

(a) The Tenant will maintain the Leased Property and all buildings, structures and improvements thereon in a neat and sanitary manner and will provide for the proper storage and disposal of all fuels, sewage, garbage, and any other waste in compliance with all applicable State and local laws and regulations and to the satisfaction of the Land Owner. No incinerators shall be permitted. All sanitary facilities must be located and constructed in accordance with State laws, rules and regulations and there shall be no discharge of untreated or partially treated sewage or other waste materials directly or indirectly into the waters of any lake, pond, river, stream, brook or swamp.

(b) The Tenant will be solely responsible for all maintenance, repair or remediation, and all costs or charges related to the same, with respect to all buildings, structures or improvements existing on the Leased Property, including without limitation all fuel, septic or waste storage and disposal systems on the Leased Property.

(c) Nothing in this Agreement shall impose any obligation or duty upon Land Owner with respect to the maintenance, repair, or replacement of any building, structure or improvement on the Leased Property, on any other land comprising the Subdivision, or on any other land of Land Owner, and in no event whatsoever shall Land Owner be liable to the Tenant for the condition, cost or value of any of the foregoing regardless of the basis for any such claim.

6. Assignment/Sublease. This Agreement and the rights granted hereunder are personal to Tenant and may not be encumbered, assigned, subleased, bequeathed, mortgaged or collaterally assigned or otherwise transferred, including without limitation by operation of law, as security for obligations of Tenant, or otherwise without the prior consent of the Land Owner, which consent may be withheld or conditioned in the Land Owner's sole discretion. Any such assignment, subletting or other transfer, whether approved by Land Owner or not, shall not relieve Tenant of Tenant's obligations under this Agreement, including liability for all Annual Rent or obligations with respect to compliance with the terms and conditions of the Declaration including without limitation timely payment of any assessment of Common Expenses (as defined therein), whether by regular or special assessment. Any written consent, which may be given by Land Owner in a specific instance shall not imply or be deemed to be consent in any other instance and Land Owner reserves the right to charge a Processing Fee in connection with approval of any assignment, sublease or transfer.

7. Access to Leased Property.

(a) Tenant shall have non-exclusive access to the Leased Property, in common with Land Owner and others, over such roads and other means as set forth in the Declaration. Except as set forth in the Declaration, Land Owner has no further obligation to provide access, by roads or otherwise, to the Leased Property and nothing in this Agreement shall impose any obligation or duty upon Land Owner to construct, maintain or repair any roads or trails to the Leased Property. Tenant expressly acknowledges that access to the Leased Property may be over private roads on other land of Land Owner, is at Tenant's own risk and shall be non-exclusive and in common with Land Owner and other third parties, and their respective successors and assigns.

(b) Tenant acknowledges that many private roads in the vicinity of the Leased Property, including without limitation the roads over which Tenant shall be permitted to access the Leased Property pursuant to the Declaration, are utilized for industrial timberland activities which take place daily and continuously, and as a result, large forestry equipment and motor vehicles, including very large off-road trucks, will utilize such roads. Additionally, access over any such private roads, whether on land of Land Owner or on land of a third party landowner, shall be subject at all times to the land management practices of Land Owner or such other third party landowners, which practices may include, without limitation, termination, temporary or permanent closure, assessment of entry and use fees, regulation of use and access, and any other lawful action of, or restriction imposed by Land Owner or such third parties. Tenant agrees to abide by, and shall cause its Representatives to abide by, all posted signs on such private roads. Without creating or implying any duty on the part of Land Owner to provide or ensure access to the Leased Property other than as specified in the Declaration, Land Owner reserves the right to designate or relocate exclusive routes of access or to close, lock or otherwise restrict access along or through roads, paths, trails, gates or rights of way under its control at any time it appears reasonably necessary in Land Owner's sole discretion to protect the safety of persons or property, including without limitation, during spring mud season, periods of high fire danger, the conduct of harvesting or silvicultural operations and periods when logging equipment or camps are unattended.

(c) Tenant agrees to release and indemnify Land Owner from and against any and all suits or claims arising out of use of private roads situated on Land Owner's property (including without limitation the roads over which Tenant is expressly permitted to access the Leased Property pursuant to the Declaration), or on the property of a third party landowners by Tenant, or by Tenant's guests and invitees, and will defend all such actions at Tenant's cost, and will satisfy any judgment rendered against Land Owner in any such action.

(d) If the Tenant or its Representatives cause damage to any roads on property of Land Owner [beyond reasonable and typical wear and tear associated with residential access??], Tenant will promptly inform the Land Owner of such damage. The Land Owner reserves the right to undertake the required repair work at the Tenants sole cost and expense (including a reasonable overhead charge). In the event the Land Owner waives its rights to perform the repair work, the Tenant will, within 10 days of being notified by Land Owner that it will not perform such repair work, hire a third-party to provide the repair work at Tenant's sole cost and expense; provided, however, the Tenant will obtain the approval of the Land Owner prior to commencing such repairs. All repair work performed must be pursued with commercially reasonable diligence.

8. Land Owner Rights.

(a) Tenant acknowledges that Land Owner and certain of its affiliates (in existence now or subsequent to the date hereof) and their respective agents, servants, employees, patrons, customers, contractors, sub-contractors, invitees, tenants, departments and concessionaires (each, an “**Owner Representative**”) conduct forest management and other operations (“**Owner Operations**”) on adjacent land to the Leased Property which may include, but is not limited to; harvesting trees, trucking, road construction and maintenance, tree planting, tending crop trees through thinning and pesticide application, wind energy operations, etc.; all in accordance with local, state and/or federal laws and regulations. Land Owner reserves the right for itself and all Owner Representatives to pass over, under and across the Leased Property with such men, machinery, and/or equipment as may be necessary or appropriate for such Owner Operations, all without any liability to Tenant.

(b) Land Owner reserves to itself and to all Owner Representatives, the right to conduct the Owner Operations in accordance with such laws and regulations without interference by Tenant or its Representatives. The Tenant acknowledges that all activity of the Land Owner and any Owner Representative, will take priority over the activities of the Tenant and its Representatives should there be any conflict. Neither the Land Owner nor any Owner Representative will be under any obligation to the Tenant to restrict the Owner Operations for the benefit of the Tenant.

(c) In the event that Owner Operations now or in the future have a wind energy operation on adjoining lands or lands near the Leased Property (the “**Wind Farm**”), the Tenant agrees that the Wind Farm has a non-exclusive easement for audio, visual, view, reflective light, shadow flicker, noise, shadow and any other effects attributable to a wind farm, including (i) the right to have sound generated from the Wind Farm impact the Tenant and exceed otherwise applicable federal, state or local maximum sound level limits applicable to locations on the Leased Property; and (ii) the right to cast shadow flicker from the Wind Farm onto the Leased Property.

9. **Insurance.** The Tenant will obtain and maintain during the term of this Agreement, at Tenant’s sole cost and expense, liability insurance with a minimum limit of \$500,000.00 per occurrence for bodily injury or death of a person, and property damage. The Tenant will also insure any personal property or improvements on the Leased Property for such amount as it determines to fully reimburse it for any loss. These required coverages may be provided by an extension to a homeowner policy (if the Tenant is an individual), or by a separate policy, and will include the Land Owner and its directors, officers, employees, and agents as additional insureds, as applicable, and provide that insurers will endeavor to notify the Land Owner in writing at least 30 days prior to policy cancellation or non-renewal. Upon request and immediately following policy renewal, the Tenant will provide evidence of insurance to the Land Owner in the form of a certificate of insurance or letter outlining this coverage and signed by an authorized representative of the insurance company. Such coverage does not restrict or limit the liabilities assumed by the Tenant under this Agreement.

10. Liability.

(a) The Land Owner shall not be liable to the Tenant, or to any one claiming under Tenant, and Tenant will not make any claim or demand against the Land Owner, any Owner Representatives or against any of their respective directors, officers, employees, agents, contractors or subcontractors (collectively, the “**Releasees**”) for any injury, damage, or loss, including bodily injury resulting in death, or loss or damage to property, suffered or sustained by the Tenant or by any third party who is an invitee of the Tenant which is based upon, arises out of or is connected with this Agreement and the Tenant hereby waives as against the Releasees all such claims or demands. The Tenant will release, indemnify and hold harmless the Releasees from and against (a) any and all claims, demands, awards, actions and proceedings by whomsoever made, brought or prosecuted; and (b) any and all losses, costs, damages or expenses (including legal expenses) suffered or incurred by the Releasees or any of them, including injuries resulting in death, and damage to or destruction of vehicles, equipment or other property, which are based upon, arise out of or are connected in any way with (i) the exercise of the rights under this Agreement, or (ii) the violation of any laws, orders, regulations, requirements or demands of government authorities, now in effect or in effect at any time in the future, which are based upon or related to the use of the Leased Property by the Tenant or its Representatives.

(b) Tenant will also release, indemnify and hold harmless the Releasees from and against any and all liabilities, claims, damages, penalties, suits, proceedings, judgments, expenditures, losses and charges, costs, disbursements and expenses of any kind or of any nature whatsoever (including, without limitation, attorney and consultant fees, investigation and laboratory fees, compliance and monitoring fees, court costs and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to (A) the discovery, presence, disposal, release or remediation, clean-up, removal or monitoring of any hazardous materials on the Leased Property or any other lands owned by the Land Owner in violation of applicable environmental laws that have been generated, caused or introduced by the Tenant or other parties claiming or acting under the Tenant, or (B)

any violation of laws, orders, regulations, requirements, or demands of government authorities, now in effect or in effect at any time in the future, which are based upon or in any way related to the use by the Tenant, or its Representatives of the Leased Property, any other lands owned by the Land Owner or third parties landowners, including use of private roads.

(c) The above release and indemnity provisions will apply notwithstanding that such claims, demands, awards, actions, proceedings, losses, costs, damages, expenses, injuries or destruction are caused or contributed to by the acts or omissions of the Releasees or any of them.

(d) The Tenant understands and agrees that these release and indemnity provisions are fundamental terms and conditions of this Agreement failing which the Land Owner would not have granted rights under this Agreement. This section will survive the termination of this Agreement for any reason.

(e) Notwithstanding anything to the contrary contained in this Agreement, any liability incurred by Land Owner to Tenant shall not be of a personal nature and Tenant's sole means of recovery shall be against Land Owner's interest in the Leased Property. If Land Owner, or any successor owner of the Leased Property sells the Leased Property, Land Owner's liability for the performance of its agreements in this Agreement will end on the date of such sale, and Tenant will look only to the purchaser for the performance of the Agreement.

11. Taxes. The Land Owner will pay, when due, all real property taxes and assessments levied against the land comprising the Leased Property. The Tenant shall be responsible for and will pay, when due, all real property taxes and assessments levied against Tenant's buildings, structures, improvements and personal property situated on the Leased Property ("**Tenant's Property**"), and if Tenant's Property is not separately assessed from the underlying assessment of land, Tenant shall promptly make arrangements for separate assessment by the taxing authority in Tenant's name. Notwithstanding the foregoing, if at any time Tenant's Property is not separately assessed from the underlying land, Tenant agrees to promptly reimburse the Land Owner for the Tenant's proportionate share of the Taxes, or to pay the same directly to the governmental body, at the Land Owner's preference, upon notice by the Land Owner to Tenant setting forth the Tenant's proportionate share thereof. The Tenant's duty to reimburse exists only with respect to taxes accrued for tax years during the period this Agreement remains in effect, regardless of when such taxes are payable. The Tenant will promptly notify and provide reasonable evidence to the Land Owner that its respective portion of the taxes have been paid in full prior to the date such Taxes may be paid to the governmental body without interest or penalty. In the event the Tenant fails to make its payment as required under this paragraph and such failure by the Tenant results in an assessment of interest or penalty by the governmental body, then, in addition to any other remedies the Land Owner may have for such default, the Tenant will be responsible for the payment of such interest or penalty.

12. Default. In the event Tenant fails to satisfy any of the terms, covenants or conditions of this Agreement on its part to be performed, including without limitation payment of Annual Rent or compliance with the terms and conditions of the Declaration including without limitation timely payment of any assessment of Common Expenses (as defined therein), whether by regular or special assessment, and such failure continues for ten (10) days after the delivery by the Land Owner of notice of such failure to the Tenant, then Land Owner shall have the right to terminate this Lease by written notice to Tenant, whereupon Tenant must immediately vacate the Leased Property, but shall remain liable to Land Owner for any unpaid Annual Rent and other charges. If Tenant does not vacate the Leased Property following notice of termination, then Land Owner shall have the right to commence eviction proceedings without further notice to Tenant. Tenant hereby expressly waives any provision of law now in force, or which may thereafter be enacted, giving the Tenant any rights other than those expressed herein. Land Owner's right to terminate the Lease for Tenant's default is in addition to all other rights and remedies available to Land Owner under this Lease and under applicable law.

13. Surrender and Removal. Upon expiration of the Term, or in the event that this Agreement is terminated, Tenant shall peaceably leave the Leased Property and deliver possession of the Leased Property to Land Owner, except that Tenant shall have the right to enter the Leased Property at any and all times within a ninety (90) day period (the "**Removal Period**") following the date of expiration or termination, with workers, equipment, and materials, for the sole purpose of removing Tenant's buildings or other improvements from the Leased Property. Any such entry and removal shall be done in compliance with all applicable laws and regulations, shall be at Tenant's sole risk, and Land Owner shall have no obligation to secure the Tenant's property from theft or damage. Any buildings, improvements and personal property not removed from the Leased Property by the expiration of the Removal Period shall become the property of Land Owner without further notice, documentation, or action, and Tenant shall not be entitled to any compensation for the same, and Land Owner, at its option, may elect to make any use of the buildings, structures and improvements hereby transferred, including (i) demolition and removal, (ii) re-letting, or (iii) sale to a third party free of all claims of

Tenant. If Land Owner arranges to complete the removal of such buildings, structures, improvements, and personal property, Land Owner is hereby entitled to full compensation from the Tenant for all costs and expenses incurred in undertaking such activities and the Tenant will pay such amounts to the Land Owner within five days after the Land Owner gives notice of it incurring such costs and expenses. This paragraph will survive the termination of this Agreement for any reason.

14. Holding Over. If Tenant shall continue its occupancy of the Leased Property after any expiration or termination of this Agreement, the occupancy shall not be deemed to extend or renew the term of this Agreement and the tenancy shall constitute a tenancy from month to month on all of the terms of this Agreement in effect as of the last day of the Term, except that Rent shall be Two Hundred Percent (200%) of the rental in effect prior to such termination. Such rent shall be payable monthly in advance without demand or notice from Land Owner.

15. Right of First Refusal.

(a) To the extent lawfully required by 14 M.R.S. §6050, as now in effect (the “6050 Law”), if, during the Term of this Agreement Land Owner intends to sell or to offer for sale as a separate parcel the Leased Property and if at that time a structure owned by the Tenant then exists on the Leased Property, Tenant shall have the right to purchase the lot for its “fair market value”. If Land Owner receives a bona fide purchase offer from a third party that Land Owner is willing to accept, the purchase price specified in such offer shall be deemed to be the “fair market value”. If there is no bona fide third party offer, the fair market value for purposes of this Section shall first be determined by Land Owner, and if Tenant does not agree with Land Owner’s determination, then the fair market value shall be determined by an appraisal conducted by a real estate professional selected by Land Owner with a minimum of five (5) years’ experience in appraising comparable properties, with the cost of such appraisal to be borne by Tenant. If Land Owner intends to sell or to offer for sale as a separate parcel the Leased Property, it shall give written notice of such intent to Tenant setting forth terms for such sale, or a copy of any proposed contract for the same omitting the name of the purchaser (the “Offer Notice”). Tenant shall have ninety (90) days from receipt of the Offer Notice to accept the offer to purchase the Leased Property. If Tenant does not accept this offer by written notice delivered to Land Owner before the expiration of such 90-day period, Tenant’s first refusal right shall terminate and Land Owner may sell the Leased Property to other parties.

(b) This first refusal right applies only in the case of an offer or sale of the Leased Property as a separate parcel in accordance with the 6050 Law, and does not apply to, among other transactions, (a) any transfer or sale of the Leased Property, subject to this Agreement and the rights of Tenant hereunder, as part of the exchanging, dividing, selling, or other transferring of Land Owner’s ownership in the township or any tract that includes the Leased Property together with any additional land, (b) any transfer of the Leased Property, subject to this Lease and the rights of Tenant hereunder, to an entity owned or controlled by or under common control with Land Owner, or pursuant to a merger or consolidation involving Land Owner, or (c) the mortgage or lease of Land Owner’s fee interest in the Leased Property.

(c) If Tenant does not elect to purchase and the Leased Property is sold by Land Owner to a third party, Tenant will furnish, at Land Owner’s request, an estoppel certificate for the benefit of the purchaser confirming the existence and status of this Agreement, including Land Owner’s compliance with the right of first refusal, in such form as Land Owner may reasonably request. The sale to any such third party shall be subject to Tenant’s rights under this Agreement. The third party purchaser shall have all rights and remedies of Land Owner under this Lease.

16. Notices. All notices, consents and communications hereunder will be addressed to Tenant at the address set out below or such other place as may be designated by written notice to the Land Owner from time to time. All notices, consents and communications hereunder will be addressed to the Land Owner at the address set out below or such other place as may be designated by written notice to Tenant from time to time.

Land Owner:

Allagash Timberlands L.P
P.O. Box 5777
300 Union St.
Saint John, N.B. E2L 4M3
Attention: Co-Chief Executive Officer

With a copy to:
P.O. Box 5888
300 Union St.
Saint John, N.B. E2L 4L4
Attention: Secretary

Tenant:

All notices, consents and communications hereunder shall be sufficiently given or delivered if in writing and mailed to the addresses as specified above by either regular mail or certified/registered mail, and will be deemed to be delivered/received on the third (3rd) business day following the date of posting of certified/registered mail and the fifth (5th) business day following the date of posting of regular mail.

17. Prohibition on Transfer of Title to Buildings. Tenant covenants with Land Owner that Tenant will have title to the buildings and other improvements on the Leased Property, free of all other title claims, and that Tenant has good right to enter into this Agreement and incur Tenant's obligations under this Agreement, and that Tenant has, subject to Tenant's rights of removal set forth herein, the right to transfer title to the buildings to Land Owner following termination or expiration of the Agreement. Tenant shall not, without Land Owner's prior written consent, convey, mortgage, lease, or in any way transfer Tenant's interest in the buildings and improvements on the Leased Property.

18. Subordination of Lease. There may, now or in the future, be mortgages, security, charges, interests and encumbrances (together with all renewals, replacement and modifications of the same, the "Liens") granted by the Land Owner over the Leased Property This Agreement is subject to all such Liens now or hereafter granted or made by the Land Owner. If such Liens exist, the Tenant, upon request, will acknowledge the priority of such Liens and the Tenant will attorn to the same, and if Tenant fails to do so, Tenant does hereby irrevocably appoint Land Owner as Tenant's attorney-in-fact to do so in Tenant's name.

19. Miscellaneous:

(a) The Tenant and its Representatives will take all reasonable care and take all reasonable steps to prevent damage by fire to the Leased Property. The Tenant and its Representatives will strictly obey all fire regulations of the Land Owner as well as those under applicable law. The Tenant will indemnify and save harmless the Land Owner from all claims and damages whatsoever related to fires arising from the actions of the Tenant or its Representatives. In the event the Tenant encounters or observes any open fires on or around the Leased Property the Tenant will use all reasonable efforts to immediately notify the Land Owner of such fire (including the location of such fire and details pertaining to the intensity of such fire) by calling (506) 632-7777. **OPEN BURNING OF ANY TYPE (INCLUDING FIREWORKS) IS STRICTLY PROHIBITED.**

(b) The Land Owner reserves the right, and the Tenant hereby grants to the Land Owner, permission, to inspect the Leased Property and all buildings, structures and improvements thereon at any time and from time to time. Neither the Tenant nor its Representatives will cause any nuisance or damage to the Leased Property or leave any waste or debris on the Leased Property or any lands adjacent to the Leased Property.

(c) Neither this Agreement nor notice or memorandum of the same will be recorded in any registry of deeds or similar system.

(d) This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements, both written and oral, among the parties hereto with respect thereto.

(e) This Agreement is governed by and will be interpreted in accordance with the laws of the State of Maine. If any term or provisions of this Lease or portion thereof is determined to be invalid or unenforceable under any applicable law such determination shall not affect the validity or enforceability of the remaining terms and provisions.

(f) This Agreement may be signed in any number of counterparts, each of which is an original, and all of which taken together constitute one single document. It is the express intent of the parties that a legal requirement that this agreement be in writing will be satisfied by an electronic form.

(g) Any waiver, extension, forbearance, or failure of the Land Owner at any time to exercise any right or remedy shall not be deemed to operate as a waiver of Land Owner's right to exercise such right or remedy at any other future time. The receipt by Land Owner of Rent with knowledge if the breach of any covenant of this Lease shall not be a waiver of such breach.

The parties are signing this contract as of the dated stated in the introductory paragraph.

<p>Land Owner</p> <p>ALLAGASH TIMBERLANDS LP</p> <p>By: _____ Name: Jason Limongelli Title: Vice President - Woodlands</p> <p>By: _____ Name: Anthony Hourihan Title: Director – Land Development</p>	<p>Tenant:</p> <p>_____</p> <p>Name:</p> <p>_____</p> <p>Name:</p> <p>_____</p> <p>Name:</p> <p>Address of Tenant:</p>
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PLEASE MAKE ANY CHANGES/ADDITIONS HERE:

ADDRESS:

EMAIL:

PHONE:

(Please advise if this is home/work/cell and provide any additional phone numbers)

EXHIBIT A
(Subdivision Plan)

EXHIBIT B

(Declaration of the West Cross Lake [A] Subdivision)

**DECLARATION OF RIGHTS,
COVENANTS, CONDITIONS AND RESTRICTIONS**

Burnt Landing Campsites

**CROSS LAKE TOWNSHIP (TOWNSHIP 17, RANGE 5),
AROOSTOOK COUNTY, STATE OF MAINE**

[CROSS LAKE [A] SUBDIVISION]

**DECLARATION OF RIGHTS, COVENANTS,
CONDITIONS AND RESTRICTIONS**

This Declaration, made as of the ____ day of _____, 2024, by **ALLAGASH
TIMBERLANDS LP**, a Maine limited partnership with a mailing address of
_____ (hereinafter referred to as “Declarant”).

W I T N E S S E T H

WHEREAS, Declarant is the owner in fee simple of certain real property in the Cross Lake Township (Township 17, Range 5), Aroostook County, Maine, being a portion of the land described in that certain deed dated _____ and recorded in the Aroostook County (Northern Division) Registry of Deeds in Book _____, Page _____, which portion comprised of [____] acres (hereinafter, the “Property”), is delineated on that certain plan entitled “_____” dated _____, prepared by Haley Ward, and recorded in the said Registry of Deeds in Plan Book _____, Page _____ (the “Subdivision Plan”).

WHEREAS, the Maine Land Use Planning Commission has approved the Property as a seventeen (17) lot subdivision, known as Burnt Landing CampsitesBurnt Landing Campsites (the “Subdivision”). For avoidance of doubt, the Property and the Subdivision approved thereon, does not include any other adjacent real estate owned by Declarant; provided, however, that Declarant shall afford certain rights over its adjacent property for the benefit of lots in the Subdivision for ingress and egress to and from the Subdivision and for certain other recreational uses all as more particularly set forth herein.

WHEREAS, in connection with leasing lots in the Subdivision for residential and non-commercial recreational purposes, Declarant wishes to subject the Subdivision to this Declaration (i) to identify and describe such other rights to be made available to tenants of lots in the Subdivision in and to other property of Declarant situated outside of the Subdivision for primary and secondary ingress and egress to and from the Subdivision and for certain other recreational uses all as more specifically set forth herein and (ii) to provide a framework for the operation and management of the Subdivision and such other associated rights.

NOW THEREFORE, Declarant hereby declares that the Subdivision shall be operated and managed in accordance with, and that Lots (as defined below) in the Subdivision shall be leased for residential and non-commercial recreational purposes, subject to and together with the following rights, covenants, conditions and restrictions.

ARTICLE I
DEFINITIONS

Section 1.1. General Definitions. In addition to terms defined elsewhere in this Declaration, the following terms shall have the meanings set forth below, when used in this Declaration:

“Association” means the Burnt Landing Campsites Tenant Association, a Maine non-profit corporation, and its successors and assigns as may be created or designated for the purposes of carrying out the Association’s obligations pursuant to this Declaration.

“Board of Directors” means the Board of Directors of the Association.

“Bylaws” means the document having that name and providing for the governance of the Association, as such document may be amended from time to time.

“Common Areas” means, at any time, (i) all portions of the Property then subject to this Declaration (including all improvements now or hereafter located thereon) including without limitation all roads that may exist from time to time, walkways, walking trails, paths, landscaped areas, drainage and stormwater management structures and buffers and all utilities located on, under or above the described areas, but expressly excluding the Lots.

“Common Expenses” means those costs and expenses necessary or appropriate, as reasonably determined by the Board of Directors, in connection with the maintenance, repair, replacement, insurance and administration of the Common Areas, the Roads, and the Water Access Lot, including without limitation, real and personal property taxes pertaining to improvements constructed and equipment placed by the Association on the Common Areas or the Water Access Lot (but excluding real property taxes associated with the land comprising the Subdivision and the Water Access Lot), and utility charges related to the Common Areas and Water Access Lot, together with all costs and expenses necessary and adequate for the proper administration, management and operation of the Association.

“Concept Plan” means The Fish River Chain of Lakes Concept Plan approved by the Maine Land Use Planning Commission (“LUPC”) on September 11, 2019 pursuant to Zoning Petition ZP 768, effective as of September 26, 2019, as the same may be amended or supplemented from time to time.

“Declarant” means Allagash Timberlands LP, a Maine limited partnership, its successors and assigns as may be designated by it as successor Declarant hereunder, or designated by any such previously designated successor, or by assignment by Declarant of its rights under this Declaration.

“Declaration” means this Declaration of Rights, Covenants, Conditions and Restrictions, as such may be amended, modified, supplemented or amended and restated from time to time by Declarant.

“DEP Permit” means that certain that certain Site Location of Development Act permit [_____] dated _____, 202__ issued by the Maine Department of Environmental Protection with respect to the Subdivision, as the same may be amended from time to time.

“Lot” means a parcel of land designated as a Lot on the Property as shown on the Subdivision Plan. For purposes of this Declaration, multiple Lots owned by a common Owner or leased by a common Tenant, whether or not such Lots are contiguous, shall be considered to remain separate Lots.

“LUPC” means the Maine Land Use Planning Commission.

“LUPC Permit” means that certain _____ permit/approval, dated _____, 202__ issued by the Maine Land Use Regulation Commission with respect to the Subdivision, as the same may be amended or supplemented from time to time.

“Member” means any Tenant entitled to membership in the Association as provided in the Declaration, or at any time a Lot is not leased, the Declarant.

“Mortgagee” means the holder of any recorded first leasehold mortgage encumbering a Tenant’s leasehold interest in one or more Lots or the holder of any recorded collateral assignment of a Tenant’s leasehold interest in one or more Lots.

“Owner” means the record owner, whether one or more person or entities, of the fee simple title to any Lot that is part of the Subdivision, but does not include the holder of a mortgage unless and until such holder has acquired title after foreclosure or by sale or other transfer in lieu of foreclosure.

“Permits” means the DEP Permit and the LUPC Permit.

“Primary Access Roads” means the portions of those certain private roads located on other land of Declarant situated outside of the Subdivision commonly referred to as West Side Road and Burnt Landing Road, as the same may be relocated from time, affording access from Route 161/Caribou Road over and through other land of Declarant in a southerly direction to the westerly boundary of the Subdivision as depicted on [the Subdivision Amenities Plan attached hereto as Exhibit A].

“Regular Assessment” means a Tenant’s share of the Common Expenses, allocated by Lot, for each regular period of the Association’s fiscal year as reflected in the budget adopted by the Board of Directors for such year.

“Roads” means (i) all road and travel ways for common use of Tenants within the Subdivision as depicted on the Subdivision Plan from time to time, (ii) the Primary Access Roads, and (iii) the Secondary Access Trail.

“Rules and Regulations” means such rules and regulations as are promulgated by the Declarant, or by the Board of Directors from time to time with respect to the use of all or any portion of the Property or the Water Access Lot.

“Secondary Access Trail” means [that certain [ten or fifteen?] foot (10’ or 15’) wide gravel trail situated outside of the Subdivision affording access through other land of Declarant extending from the easterly boundary of the Subdivision in a northeasterly direction to the Water Access Lot (defined below), [as depicted on the Subdivision Amenities Plan], as the same may be relocated from time to time.

“Special Assessment” means a Tenant’s share of any assessment made by the Board of Directors in addition to the Regular Assessment.

“Subdivision Plan” is as defined in the recitals above.

“Subdivision Amenities Plan” is the plan entitled “Subdivision Amenities Plan – Cross Lake [B] attached hereto as **Exhibit A**.

“Tenant” means the tenant, whether one or more persons or entities of a leasehold interest in and to any Lot that is part of the Subdivision, but does not include a the holder of a leasehold mortgage or collateral assignment of lease unless and until such holder has acquired title after foreclosure or by sale or other transfer in lieu of foreclosure.

“Water Access Lot” means that certain lot or parcel of land situated outside of the Subdivision and along the westerly shore of Cross Lake identified as [Lot ___ on that certain Plan _____], and as depicted on the [Subdivision Amenities Plan].

ARTICLE II **PROPERTY RIGHTS**

Section 2.1. Tenant Rights.

(a) **Access Rights.** Every Tenant shall have a non-exclusive right of access over and through the Roads, in common with Declarant, its successors and assigns, all other Tenants and other third parties, for ingress and egress, by pedestrian and vehicular means, subject at all times to the land management practices of Declarant, which practices may include, without limitation, temporary closure, gating, assessment of use fees, and any other lawful action of, or restriction imposed by Declarant as reasonably determined by Declarant in its sole discretion to protect the safety of persons or property, including without limitation, during spring mud season, periods of high fire danger, the conduct of harvesting or silvicultural operations and periods when logging equipment or camps are unattended. Each Tenant shall abide by all posted signs on the Roads. Declarant reserves the right to temporarily or permanently discontinue access over the Roads or relocate travel ways, so long as reasonably adequate alternative access routes are afforded.

(b) **Common Areas.** Every Tenant shall have a nonexclusive right, in common with Declarant, its successors and assigns and others, for access to, ingress and egress across, and for the use and enjoyment of the Common Areas incidental to the use of its Lot pursuant to its lease

of the same, subject to the rights of the Declarant and the Association as set forth herein. Additionally, every Tenant shall be permitted, at its sole cost and expense, to connect to electric or telecommunications utilities installed within the Common Area.

(c) Water Access Lot. Every Tenant shall have a nonexclusive right, in common with Declarant, its successors and assigns, and others, for access to and for the use and enjoyment of the Water Access Lot for non-commercial recreational purposes, including without limitation for access to Cross Lake for boating, swimming and other waterfront recreation, for the use of any docking structures or boat storage structures installed thereon by the Association in consultation with Declarant, and for parking in areas designated by the Association in consultation with Declarant, subject to the rights of the Declarant and the Association as set forth herein.

Section 2.2. Association Rights.

(a) Common Areas. The Association shall have the right to access the Common Areas for purposes of exercising its rights and obligations as set forth in this Declaration, including the performance of its maintenance and repair obligations as set forth in Article III below.

(b) Lots. The Association shall have the right to access Lots **(clarationI;** (i) for performing inspections, maintenance, repair, correction of emergency conditions on and replacement of the Common Areas accessible from such Lots, as necessary and appropriate; (ii) for inspection, maintenance, repair and replacement of the Common Areas accessible from such Lots; (iii) for correction of emergency conditions on or in one or more Lots, or casualties to the Common Areas; and (iv) for inspection and correction of any conditions on a Lot, including without limitation, drainage, as may be reasonably necessary to comply with all governmental permits and approvals relating to the Property, including without limitation the Permits. It is understood and agreed that the Association and its agents, employees, servants and contractors shall take reasonable steps to minimize any interference with a Tenant's use of its Lot resulting from the exercise of any rights pursuant to this Section.

(c) Grading Rights. Each Lot shall be and hereby is made subject to the right of the Association to enter upon each such Lot for all purposes to grade the land in such Lot adjoining any one or more of the Roads as necessary to satisfy any slope or grading requirements of any applicable agency or jurisdiction or to conform with good road construction practice or industry standards.

(d) Water Access Lot. The Association shall have the right to access the Water Access Lot for purposes of exercising its rights and obligations as set forth in this Declaration, including the performance of its maintenance and repair obligations as set forth in Article III below.

Section 2.3 Declarant Rights. Notwithstanding anything contained herein to the contrary, Declarant, as owner of the Property, the Roads and the Water Access Lot, shall have all of the rights granted to the Association herein, and furthermore expressly reserves and retains all

rights in and to the Property, the Roads and the Water Access Lot, including the right to use and grant rights to others to use the same, to the extent not inconsistent with the terms set forth herein. In furtherance of the foregoing, the Roads are expressly reserved as private rights of way, as described in this Declaration, and are not dedicated for public use or intended for acceptance as public ways. Declarant shall retain title to the Roads and reserves for itself, its successors and assigns, for the benefit of other land of Declarant or any of its affiliates, as the same may be utilized, subdivided or developed in the future, all rights of use for ingress and egress, including with construction vehicles, heavy equipment and for the installation, maintenance, repair, replacement and removal of all utilities as defined in 33 M.R.S. §458 over, under, through and across the Roads. Declarant reserves the right, in its sole discretion, at any time and from time to time to offer all or any portion of the Roads to the State of Maine, Aroostook County or other governmental body as public roads in its sole discretion.

ARTICLE III
MAINTENANCE, REPAIR AND IMPROVEMENT

Section 3.1 Association Responsibilities.

(a) The Association, in consultation with Declarant, shall be responsible for maintaining and repairing, including costs incurred in connection with the same, the following:

(i) the Common Areas and all improvements and infrastructure situated thereon, except for the area designated as “500’ Wildlife Crossing” on the Subdivision Plan, which will be maintained and repaired by Declarant at its expense;

(ii) the Water Access Lot and all improvements and infrastructure situated thereon; and

(iii) the Roads; provided that Declarant may undertake, at its cost and expense, annual general maintenance and repair of the Primary Access Roads as deemed necessary by Declarant in its sole discretion in connection with anticipated use by Declarant or its affiliates.

(b) With respect to maintenance and repair of the Roads, the Association shall be responsible for all maintenance and repair, including without limitation snow removal, as necessary to keep the Roads accessible year round. Additionally, the Association shall use good faith efforts to coordinate maintenance and repair activities concerning the Primary Access Roads, including cost-sharing with respect to the same, with other area road associations and other users of the Primary Access Roads.

(c) With respect to maintenance and repair of the Common Areas and Water Access Lot, the Association shall be responsible for keeping the same in a neat and sanitary manner, providing for the proper disposal of all fuels, garbage and any other waste in compliance with all applicable laws and regulations and otherwise to the satisfaction of Declarant.

(d) All maintenance and repair undertaken by the Association as required by this Declaration shall be in accordance with the Concept Plant, the Permits, and all other applicable laws and regulations and pursuant to all valid permitted and approvals as may be required secured by the Association at its sole cost and expense. The Association shall indemnify and hold Declarant harmless from any loss, damage liability, cost or expense, including reasonable attorneys' fees arising incurred by Declarant arising out the Association's exercise of its rights under this Section 3.1, including the Association's failure to comply with its responsibilities hereunder.

Section 3.2 Modification of Common Areas and Water Access Lot.

(a) In consultation with Declarant and upon obtaining Declarant's prior written consent, which shall not be unreasonably withheld, the Association shall have the right to install, construct and replace from time the following improvements on, over and across the Water Access Lot for the benefit of and use by the Tenants: docking structures, boat and waterfront gear storage, gravel walkways and designated parking areas.

(b) Any replacement or modification of existing infrastructure or improvements, or construction of any new improvements or infrastructure within the Common Areas or the Water Access Lot desired by the Association beyond general repair and maintenance of existing infrastructure, shall require the prior written consent and approval of the Declarant, which shall not be unreasonably withheld; provided, however, in the event any such replacement, modification or improvement is approved by Declarant, the costs of such construction and or installation shall be the responsibility of the Association.

(c) All work conducted or undertaken by the Association involving any modification or improvement to the Common Areas or Water Access Lot and as permitted by this Declaration shall be undertaken in accordance with the Concept Plant, the Permits and all other applicable laws and regulations and pursuant to valid permits and approvals secured by the Association at its sole cost and expense. The Association shall indemnify and hold Declarant harmless from any loss, damage liability, cost or expense, including reasonable attorneys' fees incurred by Declarant arising out the Association's exercise of its rights under this Section 3.2, including its failure to comply with its responsibilities hereunder.

Section 3.3 Declarant Rights. Notwithstanding anything contained in this Declaration to the contrary, the Declarant shall have the right, although not the obligation, to maintain, repair, replace and improve, from time to time, the Common Areas, the Water Access Lot and the Roads, as it may deem necessary or desirable in its sole discretion; provided, however, that any such work that is not undertaken in consultation with the Association shall be performed at the sole cost and expense of Declarant.

Section 3.4 Tenant Responsibilities.

(a) Each Tenant, at its sole cost and expense, will maintain its Lot, and all buildings, structures and improvements thereon in a neat and sanitary manner and will provide for the proper storage and disposal of all fuels, sewage, garbage, and any other waste in compliance with

all applicable laws and regulations and otherwise to the satisfaction of Declarant. No incinerators shall be permitted. All sanitary facilities must be located and constructed in accordance with State laws, rules and regulations and there shall be no discharge of untreated or partially treated sewage or other waste materials directly or indirectly into the waters of any lake, pond, river, stream, brook or swamp.

(b) Tenants shall be responsible for maintaining, individually or in cooperation with other Tenants, for maintaining and repairing all utility lines (“**Individual Utilities**”) leading from the main utility lines serving the Subdivision to their respective Lots, whether such Individual Utilities are located within or outside of the Roads or other Common Areas. All maintenance, repair and construction of utility lines conducted within the Roads, or the other Common Areas shall be completed with due diligence and in good and workmanlike manner so as not unreasonably to interfere with the rights of the Declarant, other Tenants, or the Association in the use of the Roads or other Common Areas.

(c) All maintenance and repair undertaken by a Tenant with respect to a Lot as required by this Declaration shall be in accordance with the Concept Plant, the Permits, and all other applicable laws and regulations and pursuant to all valid permitted and approvals as may be required secured by Tenant at its sole cost and expense. The Tenant shall indemnify and hold Declarant harmless from any loss, damage liability, cost or expense, including reasonable attorneys’ fees arising incurred by Declarant arising out the Tenant’s exercise of its rights under this Section 3.4, including such Tenant’s failure to comply with its responsibilities hereunder.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 4.1. Membership in Association. Every Tenant shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the leasehold interest of a Tenant in its Lot. The permitted assignment of leasehold rights to a Lot shall automatically transfer the Association membership appurtenant to that Lot to the assignee. The granting of a leasehold mortgage (if permitted by Declarant), however, shall not transfer such membership until foreclosure or sale in lieu of foreclosure. The foregoing notwithstanding, at any time a Lot is not leased to a Tenant, the Declarant shall be a Member of the Association with respect to such Lot and shall have all rights that a Tenant would otherwise have with respect to membership in the Association, including voting rights, provided, however, that Declarant’s obligation for assessments of Common Expenses under such circumstances shall only extend to the portion of such assessment specifically allocable to regular maintenance and repair of the Common Areas and Roads, shall expressly exclude any expenses associated with the Water Access Lot, and shall only extend to a pro-rata portion of assessments allocable to the period of time that such Lot is not leased to a Tenant.

Section 4.2. Casting of Votes. If a Lot is leased by one person, that Tenant’s right to vote shall be established by the lease agreement for the Lot between Declarant, as landlord and such Tenant. When more than one person is the Tenant of any Lot, all such persons shall be Members of the Association, but in no event shall more than one vote be cast with respect to any

Lot. If the leasehold interest in a Lot is in more than one person, the person entitled to cast the vote allocated to that Lot shall be determined as set forth in the Bylaws.

ARTICLE V
ASSESSMENTS; LIABILITY OF TENANTS

Section 5.1. Association Budgets. The Association, acting through the Board of Directors in accordance with the Bylaws, shall have the power to fix and determine, from time to time, the sums necessary and adequate to provide for the Common Expenses, including, but not limited to, such amounts as are necessary for uncollected assessments, budget deficits, such reserves as are described in this Declaration and such additional reserves as the Board of Directors shall deem necessary or prudent, and such other expenses as are specifically provided for in this Declaration or the Bylaws and shall further have the right to make assessments for such expenses against the Lots and the Tenants thereof in accordance with this Article V. Such assessments shall be made by the Association on an annual, monthly or other periodic basis as the Board of Directors shall from time to time determine. **The Association shall establish an adequate reserve fund for maintenance, repair and replacement of the portions of the Common Areas that are anticipated to require maintenance, repair or replacement on a periodic basis.** The reserve fund shall be funded by periodic payments as a part of the Common Expenses.

Section 5.2. Special Assessments. If the cash requirement estimated at the beginning of any fiscal year of the Association shall prove to be insufficient for any reason to cover the actual Common Expenses (including, by way of illustration and not limitation, any Tenant's non-payment of assessments), the Board of Directors shall have the power, at any time it deems necessary and proper, to levy one or more Special Assessments against each Lot. Special Assessments shall be due and payable in the manner and on the date set forth in the notice thereof. Any expense incurred by the Association as a result of the negligence or willful misconduct of any Tenant or the failure of a Tenant to comply with the provisions of this Declaration may, at the discretion of the Board of Directors, be assessed as a Special Assessment against such Tenant and its leasehold interest in its Lot.

Section 5.3. Payment of Assessments. Each Tenant shall pay all assessments levied by the Association when due. All Tenants, as Members, shall share equally in the Common Expenses. A Tenant's liability for such assessments shall begin accruing at the time the Association makes the initial Common Expense assessment. Except as otherwise provided herein, such assessments shall be due and payable on a periodic basis as designated by the Board of Directors. Assessments that are unpaid for over twenty (20) days after the due date thereof shall bear interest at the rate of eighteen percent (18%) per annum from the due date until paid. In the sole discretion of the Board of Directors, a late charge not to exceed five percent (5%) per assessment not paid when due may be assessed against the delinquent Tenant.

Section 5.4 Notice to Declarant – Status of Payment of Assessments. The Association shall promptly provide Declarant with written notification of any Tenant's failure to pay a Common Expense assessment when due, whether assessed as a Regular Assessment or Special Assessment. **Additionally, to assist Declarant with annual lease renewals for Lots or for such other purpose as determined reasonably necessary by Declarant in its discretion, the**

Association shall provide Declarant, within fifteen (15) days of a request from Declarant, a written report documenting any with outstanding assessments together with the amount so outstanding.

Section 5.5. Failure to Fix New Assessments. If the Board of Directors shall fail to fix new Regular Assessments for Common Expenses for the subsequent fiscal year before the expiration of any fiscal year, the Tenants shall continue to pay the same sums they were paying for such Regular Assessments during the fiscal year just ended and such sums shall be deemed to be the new Regular Assessments for the succeeding fiscal year. If the Board of Directors shall change the Regular Assessment at a later date, the difference between the new Regular Assessment, if greater, and the previous fiscal year's Regular Assessment up to the effective date of the new Regular Assessment shall be treated as if it were a Special Assessment; thereafter, each Tenant shall pay the new Regular Assessment. In the event the new Regular Assessment is less than the previous fiscal year's Regular Assessment, in the sole discretion of the Board of Directors, the excess shall be refunded to the Tenants, credited against future Regular Assessments or retained by the Association for reserves.

Section 5.6. No Exemption by Waiver. No Tenant may exempt himself from liability for Common Expenses by waiver of the enjoyment of the right to use any portion or all of the Common Areas, the Water Access Lot, the Roads, or by the abandonment of his Lot or otherwise.

Section 5.7. Personal Liability of Tenants; Limitation of Lease Renewals.

(a) All sums assessed by the Association as a Regular or Special Assessment shall constitute the personal liability of the Tenant of the Lot so assessed. The Association shall promptly notify Declarant of any Tenant's failure to pay a Common Expense assessment when due, whether assessed as a Regular Assessment or Special Assessment and such failure shall be treated as a default under the Tenant's lease of its Lot from Declarant if such failure continues for ten (10) days after the delivery by Declarant of a notice of such failure to Tenant. Under no circumstance shall the Association record, or allow anyone on its behalf to record, any notice of lien or similar instrument against the Lot or Tenant's interest in the Lot, although the Association may elect to bring an action against the Tenant personally to recover unpaid assessments.

(b) Declarant shall not renew the lease of any Tenant for a Lot within the Subdivision in the event Declarant has received notice from the Association that such Tenant has outstanding liability for any assessment for Common Expenses, whether assessed as a Regular Assessment or Special Assessment.

(c) The delinquent Tenant shall be obligated to pay all expenses of the Board of Directors, including reasonable attorneys' fees, incurred in the collection of the delinquent assessment by legal proceedings or otherwise, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessment and shall be collectible as such.

Section 5.8. Working Capital Funds. Upon the initial lease of a Lot, the Tenant shall pay to Declarant an amount equal to [____ months estimated Common Expense liability for each Lot at the time of such lease. Each Lot's initial share of the working capital fund collected from a Tenant by Declarant upon execution of the initial lease for the Lot shall be transferred to the Association for deposit into the appropriate working capital fund. The amount paid by the Tenant shall not be considered to be an advance payment of the normal Common Expense liability and no Tenant shall be entitled to a refund of these monies by the Association upon expiration, termination or assignment of its lease for the Lot in question. If Declarant elects to make a contribution to the working capital fund with respect to any Lot prior to the lease of such Lot by Declarant, then Declarant shall be entitled to a refund of such contribution from the Association upon payment of the working capital contribution by an initial Tenant of the Lot.

Section 5.9. Surplus. The budget of the Association shall set forth Common Expenses. Any amounts accumulated from assessments for Common Expenses in excess of the amounts required for such actual expenses and reserve for future expenses, unless otherwise directed by the Board of Directors, in its sole discretion, shall be credited proportionately, such credit to be applied to the next Regular Assessment of Common Expenses due from a Tenant with respect to a Lot under the current fiscal year's budget, and thereafter, until exhausted or retained by the Association for reserves.

ARTICLE VI

USE AND OCCUPANCY REGULATIONS

Section 6.1. Construction and Development Restrictions.

(a) Land Use and Building Type; Number of Dwellings. All dwellings and structures and associated utility services located on the Property, whether by Tenant or by the Association, shall be located, constructed, maintained, repaired and replaced from time to time in accordance with this Declaration, the Subdivision Plan, the Permits, the Concept Plan, and all other applicable laws, regulations, rules and building codes. Each Lot shall be used only for a single-family residence and for no more than one dwelling.

(b) Dwelling Quality. It is the intention and purpose of these covenants to ensure that all dwellings shall be of a quality of design, workmanship and materials that are compatible and harmonious with the natural setting of the area and other dwellings within the development. All dwellings shall be constructed in accordance with applicable government building, safety or other codes.

(c) Temporary Structures. No trailer, tent, shack or other structure, except as otherwise permitted herein, and no temporary building or structure of any kind shall be used for a residence, either temporary or permanent on any Lot. Temporary buildings or structures used during the construction of a dwelling shall be in a close proximity to the dwelling and in a location approved by Declarant and such buildings or structures shall be removed upon completion of construction. Dumpsters shall not be permitted on any Lot except during construction and shall only be permitted to remain on a Lot for such purpose for a maximum of 18 months.

(d) **Completion of Construction.** Construction shall commence within [_____ months/ 1 year of the date of the building permit is granted by LUPC]. Any construction undertaken shall be continued with diligence toward the completion thereof and the exterior construction of any dwelling shall be completed within one year of the date on which construction (including excavation) commences, except that such period may be extended by reason of strikes, fires, natural disaster and other matters beyond the Tenant's control. Houses and other dwelling structures may not be temporarily or permanently occupied until the exteriors thereof have been completed.

(e) **Signs.** No signs or advertising devices for commercial or political purposes or any signs relating to the sale or rent of the Lot or any improvements thereon, shall be erected or maintained on Lots, the Common Area, or the Water Access Lot. No signs of any nature shall be erected or maintained on the Primary Access Roads.

(f) **Trees Within Lots.** It is the Declarant's intent that the natural woodland characteristics of the Property be preserved. Subject to the preceding sentence, a maximum of _____ square feet of tree clearing is permitted in addition to _____ square feet of impervious area for home, driveway and walks for a total of _____ square feet on any Lot for any purpose. Once the _____ square feet maximum has been reached, no trees measuring four (4) inches or more in diameter at ground level may be removed, but trees measuring four (4) inches or more in diameter may only be removed if they are dead or dying or pose a safety concern and the prior written consent has been obtained from the Declarant or the Association. In the event of a violation hereof, a special fine of \$ _____ per tree removed may be levied against the responsible Tenant, and the Declarant shall have the right to enter upon the properties and plant a new tree of the same or a different species in approximately the same location as the tree wrongfully removed. In addition, each Tenant is on notice that such violations may constitute a violation of the Permits. Fines or charges pursuant to this paragraph shall be collected and enforced in the same manner as assessments under Article 5.

(g) **Wells.** Each Lot must be served by a water well drilled on that Lot at Tenant's cost and expense.

(n) **Subsurface Wastewater Disposal (Septic) System Size Limitations.** Each Lot shall be served by a septic system located in accordance with [_____] and otherwise installed by pursuant to valid permits and approvals secured by Tenant at its sole cost and expense. Tenants are responsible for maintaining their septic systems in good working order and having the septic tanks pumped on a regular basis recommended at 3-5 year intervals.

Section 6.2 Use Restrictions

(a) **Parking/Use of Roads and Common Areas.** The Roads and Common Areas shall not be obstructed in any way. Tenants, their family members, licensees, and invitees, are prohibited from parking vehicles of any type on or within the Roads or any other Common Area,

and may only park within designated areas within the Water Access Lot as determined by Declarant or the Association from time to time.

(b) Rules and Regulations. The Declarant and/or the Board of Directors may, from time to time, promulgate, Rules and Regulations applicable to the use and enjoyment of the Property. This authority shall include the right to set the maximum and minimum speeds of vehicles and to restrict the maximum noise levels of vehicles on the Property. Such Rules and Regulations shall be binding upon all Tenants, and their family members, licensees and invitees, until and unless amended or modified by either the Declarant or by the vote of the members holding a majority of the total votes in the Association; provided, however, that in all events Declarant's right to modify or amend shall control.

(d) Use of Lots. All Lots shall be used for single family residential purposes exclusively and no business or business activity shall be carried on within any improvement on a Lot at any time.

(e) No Hazardous Activities: No activities shall be conducted within or on the Subdivision, the Water Access Lot or the Roads, and no improvements may be constructed on the Property which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged on, and no open burning, including fireworks, shall be lit on, the Property, the Water Access Lot or the Roads. **Hunting is prohibited on the Property, the Water Access Lot and the Roads.**

(f) Rubbish, Trash and Garbage. Tenants shall cause all rubbish, trash and garbage to be regularly removed from the Lots and shall not allow it to accumulate thereon. There shall be no burning of trash on any Lot or in any part of the Common Areas or Water Access Lot. No trash shall be stored on the exterior of any Lot or on the Common Areas unless such area is designated for such purpose by the Board of Directors.

(g) Nuisance. It shall be the responsibility of each Tenant to prevent the development of any unclean, unhealthy, unsightly, or unkept condition on his Lot. No substance, thing, pet or material may be kept or used upon any Lot in a manner that will cause any noise, light or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No more than one unregistered vehicle may be maintained on a Lot, excepting vehicles within a garage.

(h) Maintenance of Property. All Lots and all improvements thereon shall be kept and maintained by the Tenant thereof in clean, safe attractive and sightly condition and in good repair.

Section 6.3 Governmental Restrictions. The Property is subject to the Permits including but not limited to the subdivision approval, as reflected by the Subdivision Plan. Each Tenant agrees that the Subdivision and its respective Lot is subject to, and each Tenant agrees to comply with, the restrictions set forth in the Permits and as reflected on the Subdivision Plan.

ARTICLE VII

APPROVAL OF CONSTRUCTION OF DWELLINGS, STRUCTURES, OF CLEARING, GRADING AND RELATED MATTERS

Section 7.1 Approval of Plans. No improvements of any kind, including, but not limited to, dwellings, garages, parking areas, septic systems, and fences, shall ever be erected, installed, altered or permitted to remain on any land with the Subdivision, whether situated on a Lot or in a Common Area, nor shall any excavating, clearing, removal of trees, or shrubs, or landscaping be done on any lands within the Subdivision unless the plans and specifications therefore are approved in writing by Declarant prior to the commencement of such work. Such approval of the Declarant must be obtained before an application for a building permit is filed with LUPC.

Section 7.2 Liability. Declarant shall not be liable in damages to any persons submitting any plans for approval, or to any Tenant by reason of any action, failure to act, approval, disapproval or failure to approve or disapprove with regard to such plans. Any Tenant or any person submitting plans to Declarant for approval, by so doing, shall be deemed to have agreed and covenanted that they will not bring any action or suit to recover damages against Declarant, its officers as individuals, or its advisors, employees or agents.

ARTICLE VIII **INSURANCE; LIMITATION OF LIABILITY**

Section 8.1. Association Insurance. The Association shall maintain, as a Common Expense, to the extent reasonable available, the following types and amounts of insurance:

(a) Property insurance insuring against loss or damage of any fixtures, equipment, personal property and supplies owned by the Association (to the extent that the Association owns any such property), by fire and all other hazards that are normally covered by the standard extended coverage endorsement, and all other perils customarily covered for similar types of projects, including those covered by the standard “all risk” endorsement, or such other fire and casualty insurance as the Board of Directors may determine provides equal or greater protection, in each case complying with all requirements of this Article. The amount of any such hazard insurance obtained pursuant to this Section 1(a) shall be equal to one hundred percent (100%) of the current replacement cost of the Association’s fixtures, equipment, personal property and supplies at the time the insurance is purchased and at each renewal date without deduction for depreciation, exclusive of land, foundations, excavation and other items normally excluded from coverage. Such hazard insurance policy may, at the option of the Association, contain a “deductible” provision in an amount to be determined by the Board of Directors; provided, however, that funds to cover any such deductible amounts shall be included in the Association’s operating reserve. The proceeds of such policy shall be payable to the Association for the benefit of its Members.

(b) Comprehensive general liability insurance, including medical payments insurance insuring any member of the Association, whether Tenant or Declarant, and any managing agent retained by the Association, against any liability to the public, to other Tenants or their invitees,

or to Declarant and its affiliates and invitees, relating in any way to the use of the Roads, Common Areas, Water Access Lot, public ways and any other areas under the supervision of the Association or any part thereof. Such insurance policy shall contain a “severability of interest” clause or endorsement which precludes the insurer from denying the claim of the Association because of the negligent acts of a Tenant. Such insurance shall include coverage for bodily injury and property damage that results from the operation, maintenance or use of the Roads, any liability resulting from law suits related to employment contracts in which the Association is a party, water damage liability, liability for non-owned and hired automobiles, liability for property of others, and such other risks as are customarily covered in similar projects. The amount of such liability insurance shall be at least [\$] for bodily injury and property damage for any single occurrence. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Board of Directors and may be changed in its discretion provided that such policies shall continue to comply with the requirements of this Section.

(c) Such workers’ compensation insurance as applicable laws may require.

(d) Insurance to satisfy the indemnification obligations of the Association set out in Article VIII, if and to the extent available, including but not limited to insurance coverage commonly referred to as “Directors and Officers Insurance.”

(e) Adequate blanket fidelity bond coverage naming the Association as obligee to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association, and all others who handle or are responsible for handling, funds held or administered by the Association, including the managing agent. Such fidelity bond shall: (i) name the Association as an obligee; (ii) be written in an amount not less than the greater of (a) the maximum funds that will be in the custody of the Association or its management agent at any time during the term of the bond, or (b) a sum equal to three months assessments on all Lots plus the Association’s reserve funds; and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of “employee” or similar expression. Any managing agent who handles funds for the Association must be covered by its own fidelity bond, which must name the Association as an additional obligee and provide the same coverage as the bond for the Association.

Section 8.2 Required Provisions. Insurance obtained by the Association shall be in accordance with the following provisions:

(a) All policies shall specify the named insured as follows: Burnt Landing Tenants Association for the use and benefit of the individual members of the Association.”

(b) All policies shall be written with a company authorized to do business in the State of Maine and, for the hazard insurance policy described in Section 1(a) hereof, such company must hold a general policy holder’s rating of at least “A” by Best’s Insurance Reports, or by an equivalent rating bureau should Best’s Insurance Reports cease to be issued.

(c) Exclusive authority to act on behalf of the Association with respect to adjustment of losses under policies hereafter in force on the Property shall be vested in the Board of Directors.

(d) With respect to the insurance policies described in subsections (a) and (b) of Section 8.1 issued to the Association and covering any part of the Property, the Association shall cause such policies to provide that:

(a) No act or omission by any Tenant or Declarant, unless acting within the scope of his authority on behalf of the Association, will prejudice such policies or be a condition to recovery under such policies;

(ii) If at the time of a loss under such policies there is other insurance in the name of a Tenant or Declarant covering the same risk covered by the policy, the Association's policy provides primary insurance;

(iii) The liability of the insurer shall not be affected by, and the insurer shall not claim, any right of set-off, counterclaim, apportionment, proration, or contribution by reason of any other insurance obtained by or for any Tenant or Declarant;

(iv) The insurer shall not be relieved from liability for loss occurring while the hazard to the Property is increased, whether or not within the knowledge or control of the Board of Directors, or because of any breach of warranty or condition or any other act or neglect by the Board of Directors, Tenant, Declarant, or any other person under either of them;

(v) Such policies may not be canceled nor may coverage thereunder be substantially changed (whether or not requested by the Board of Directors) except by the insurer's giving at least ten (10) days prior written notice thereof to the Board of Directors and every other party in interest who shall have requested such notice of the insurer.

Section 8.4. Additional Insurance. Nothing in the Bylaws or the Declaration shall be construed to limit the authority of the Board of Directors to obtain additional insurance which it deems advisable.

Section 8.5 Insurance Bids. The Board of Directors shall, at its initial meeting, arrange to obtain bids for the insurance policies described herein from insurance brokers serving the area of the Property, and shall be required, in its reasonable judgment, to purchase the policies best suited to meet the coverage and financial needs of the Association.

Section 8.6. Limited Liability of the Board of Directors. The Board of Directors, and its members in their capacity as Members, officers and employees:

(a) Shall not be liable for the failure of any service to be obtained by the Board of Directors and paid for by the Association, or for injury or damage to persons or property caused by the elements or by a Tenant or other person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any improvement on the Property, or from any of its pipes, drains, conduits, appliances, or equipment, or from any

other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Board of Directors;

(b) Shall not be liable to the Tenants as a result of mistakes or judgment, negligence or otherwise arising during the course of the performance of duties by members of the Board of Directors, except for the willful misconduct or gross negligence of the members of the Board of Directors;

(c) Shall have no personal liability in contract to a Tenant or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Board of Directors or the Association in the performance of duties by members of the Board of Directors;

(d) Shall not be liable to a Tenant, or such Tenant's, guests or invitees, for loss or damage caused by theft of or damage to personal property left by such Tenant or its guests or invitees on any Lot or in or on the Common Areas, Water Access Lot or the Roads except for the willful misconduct or gross negligence of the members of the Board of Directors in the performance of their duties;

(e) Shall have no personal liability in tort to a Tenant or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the willful misconduct or gross negligence of members of the Board of Directors in the performance of their duties; and

(f) Shall have no personal liability arising out of the use or misuse of any Lot except for the willful misconduct or gross negligence of the members of the Board of Directors in the performance of their duties.

Section 8.7. Indemnification. Each member of the Board of Directors in his capacity as a member of the Board of Directors, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Board of Directors, or any settlement of any such proceeding, except in such cases wherein such member of the Board of Directors and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties; provided, that, in the event of a settlement, this indemnification shall apply only if and when the Board of Directors (with the affected member abstaining if he is then a member of the Board of Directors) approves such settlement and reimbursement as being in the best interests of the Association. The indemnification shall be paid by the Association on behalf of the Tenants and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such member of the Board of Directors and/or officer may be entitled as a matter of law or agreement or otherwise.

Section 8.8. Defense of Claims. Complaints brought against the Association, the Board of Directors or the officers, employees or agents thereof in their respective capacities as such, or the development as a whole, shall be directed to the Board of Directors, which shall

promptly give written notice thereof to the Tenants and Declarant and such complaints shall be defended by the Association. The Tenants, nor anyone claiming by, through or under Tenants, shall have any right to participate other than through the Association in such defense.

Section 8.9. Storage; Disclaimer of Bailee Liability. Neither the Board of Directors, the Association nor Declarant shall be considered a bailee of any personal property stored on the Roads, the Common Areas or the Water Access Lot, and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence.

ARTICLE IX **MORTGAGE PROVISIONS**

Section 9.1. Subject to Declaration. Whether or not they expressly so state, any mortgage or similar instrument which constitutes a lien against a Tenant's interest in a Lot or any improvement thereon and an obligation secured thereby shall provide generally that the mortgage and the rights and obligations of the parties thereto shall be subject to the terms and conditions of this Declaration. Nothing in this Section is intended to constitute permission from Declarant to a Tenant to encumber a Lot, or Tenant's interest therein with a mortgage or any other lien.

ARTICLE X **BOARD OF DIRECTORS OF THE ASSOCIATION**

Section 10.1. Appointment and Election of Directors.

(a) Until such time as at least [75%] of the Lots have been leased by Declarant to Tenants, the Declarant shall have the right to appoint, remove and replace from time to time any and all members of the Board of Directors and officers of the Association, without the necessity of obtaining resignations. The directors and officers appointed by the Declarant need not be Tenants.

(b) The transition from Declarant-appointed members of the Board of Directors to the Tenants generally shall occur no later than the earlier of (the "**Transition Date**") (a) sixty (60) days after at least [75%] of the Lots have been leased by Declarant to Tenants or (b) at such earlier date as the Declarant in its sole discretion shall specify . As soon as reasonably possible following the Transition Date , a transition meeting of the Association and a transition election shall be held at which all of the members of the Board of Directors and officers of the Association appointed by the Declarant shall resign, and the Tenants, including the Declarant in cases where a Lot may not be leased to a Tenant, shall thereupon elect a Board of Directors to act in the place and stead of those resigning.

(c) Following the Transition Date, the affairs of the Association shall be governed by a Board of Directors composed of no d Members of the Board of Directors shall be Tenants or in the case of a Tenant that is a corporation, limited liability company, partnership, trust or estate or other legal entity, or in the event a member is Declarant, a designated agent thereof. The terms of all members of the Board of Directors following the transition period described above shall be as follows: The candidate receiving the most votes will have a three-year term, the

candidate receiving the second most votes will have a two-year term and the candidate receiving the third most votes will have a one-year term. All subsequently elected Board members will have a three-year term, such that the term of only one Board member will expire each year.

Section 10.2. Abating and Enjoining Violations by Tenants. The breach of any provision of this Declaration, the Bylaws or any Rules and Regulations by a Tenant, any guest or invitee of Tenant, or by any Mortgagee, shall give the Board of Directors the right to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

MANAGEMENT/COVENANT FOR MAINTENANCE ASSESSMENTS

Section 11.1. Management Company. The Association shall have the right to employ a professional experienced managing agent who shall oversee the daily operation of the Common Areas, Roads and Water Access Lot and the implementation of the Association's obligations in accordance with the provisions of this Declaration, the Bylaws and the Rules and Regulations; provided, however, that no agreement for such professional management may exceed a term of one (1) year, and must be subject to termination by the Association without a termination fee upon not more than sixty (60) days written notice and shall be cancelable by the Board of Directors with cause upon not less than thirty (30) days written notice.

ARTICLE XII DECLARANT RIGHTS & AMENDMENTS

Section 12.1 Retained Rights.

(a) Declarant shall at all times be entitled to enforce the terms and provisions of this Declaration and all Rules and Regulations in the event of any breach thereof, whether by Tenants, any guest or invitee of Tenant, the Association, the Board of Directors or otherwise, and shall be permitted to enjoin, abate, or remedy the same by appropriate legal proceedings, either at law or in equity.

(b) Declarant, as fee owner of the Property, the Roads and the Water Access Lot, expressly retains and reserves all rights in and to the Property, the Roads and the Water Access Lot, including the right to use and grant rights to others to use the same, to the extent not inconsistent with the terms set forth herein. In furtherance of the foregoing, upon leasing a Lot, Tenant's hereby acknowledge that they are on notice that the Roads are utilized by Declarant and its affiliates for industrial timberland activities, and as a result, large forestry equipment and motor vehicles, including very large off-road trucks, will utilize the Roads. Access over the Roads pursuant to Tenants shall at all times be subject at to the land management practices of Declarant and its affiliates, which practices may include, without limitation, temporary closure, regulation of use and access by gating or otherwise, and any other lawful action of, or restriction imposed by Declarant as determined to be reasonably necessary in Declarant's sole discretion to protect the safety of persons or property, including without limitation, during spring mud season,

periods of high fire danger, the conduct of harvesting or silvicultural operations and periods when logging equipment or camps are unattended. Tenant, by leasing a Lot, agrees to abide by, and shall cause its family members, guests and invitees to abide by, all posted signs on the Roads.

(c) Declarant may assign any or all of its right or privileges reserved or established by this Declaration at any time.

Section 12.2. Amendment by Declarant. Notwithstanding anything contained herein to the contrary, this Declaration may, from time to time, be amended, modified, supplemented, amended and restated or terminated by Declarant in its sole discretion. Additionally, Declarant shall have the unilateral right to amend the Subdivision Plan in the exercise of its reserved rights set forth in this Declaration.

Section 12.3 Amendments by Association. The Association shall have no right to amend, modify, supplement or terminate this Declaration. The Association may amend the Bylaws upon providing at least thirty (30) days advance notice to Declarant, provided such amendment may not impact any rights or obligations of Declarant hereunder.

ARTICLE XIII **GENERAL PROVISIONS**

Section 13.1. Applicability of Covenants and Restrictions. Each present and future Tenant or permitted Mortgagees shall be subject to and comply with the covenants, conditions and restrictions set forth in this Declaration, the Bylaws, the Rules and Regulations and any associated lease for a Lot in the Subdivision. The entering into of a lease or the entering into occupancy of any Lot shall constitute an agreement that the covenants, conditions and restrictions set forth in this Declaration, the Bylaws, the Rules and Regulations and any such lease are accepted and ratified by such Tenant, Mortgagee, tenant or occupant. All assignment of leases for Lots are subject to the prior approval of Declarant, which approval may be granted or denied in Declarant's sole discretion. If Declarant consents to an assignment of a lease by a then current Tenant, contemporaneously with such assignment such new Tenant assuming the lease shall be required to notify the Board of Directors in writing of its assumption of an existing lease for a Lot and shall provide its mailing address to which correspondence and assessments should be sent. The Declarant, the Association and any aggrieved Tenant shall have a right of action against Tenants who fail to comply with the provisions of this Declaration, the Bylaws, or the Rules and Regulations or with decisions made by the Declarant, the Association or the Board of Directors. Tenants against whom the Declarant, the Association or any aggrieved Tenant successfully brings an action pursuant to this Section shall be liable to pay all expenses of the successful party, including reasonable attorneys' fees, incurred in the action or otherwise in connection with the Tenant's noncompliance. Aggrieved Tenant's shall have similar rights of action against the Association.

Section 13.2. Real Estate Taxes. While Declarant shall remain responsible for the payment of real estate taxes assessed to the land comprising the Subdivision, the Water Access Lot and the Roads, it is understood that each Tenant shall be directly responsible for the payment

of all taxes assessed with respect such Tenant's improvements on its respective Lot, and that the Association shall be responsible for payment of taxes assessed with respect to any improvements constructed on the Water Access Lot through the assessment of Common Expenses.

Section 13.3. Utility Charges. Each Tenant shall pay for all telephone, water, electricity, gas and other utilities which are separately metered or billed to each such Tenant by the respective utility company.

Section 13.4. Severability. Invalidation of any one of these covenants or restrictions by a court shall in no way affect any other provision hereof, and all such other provisions shall remain in full force and effect.

Section 13.5. Applicable Law. This Declaration shall be governed and construed according to the laws of the State of Maine.

Section 13.6. Interpretation. The provisions of this Declaration shall be liberally construed in order to effect Declarant's desire to create a uniform plan for development, operation and maintenance of the Subdivision.

Section 13.7. Notices. All notices and other communications required or permitted to be given under or in connection with this Declaration shall be in writing and shall be deemed given when delivered in person or on the second business day after the day on which mailed by certified mail, return receipt requested, addressed, if to Tenant to that Tenant's Lot address or otherwise to such address as may be designated by written notice given to the Association, if to Declarant to [REDACTED] and if to the Association, to the principal office of the Association.

Section 13.8. Exhibits. All exhibits attached to this Declaration are hereby made a part of this Declaration.

Section 13.9. Governmental Restrictions. The Subdivision is subject to the Permits and any other permits and approvals applicable thereto from time to time, including but not limited to the subdivision approval, as reflected by the Subdivision Plan. Each Tenant agrees that the Subdivision, its respective Lot, and any associated rights granted to Tenant in connection with its lease of the Lot is subject to, and each Tenant agrees to comply with, the restrictions set forth in the Permits and as reflected on the Subdivision Plan.

[Signature Page Follows]

IN WITNESS WHEREOF, the said _____ has caused this instrument to be signed and sealed by its duly authorized representative as of the date first above written.

DECLARANT:

ALLAGASH TIMBERLANDS, LP,
a Maine limited partnership

By: _____

Name:

Its:

By: _____

Name:

Its:

STATE OF _____
COUNTY OF _____, ss.

On _____, 202____, personally appeared before me the above-named _____, _____, of _____ and acknowledged the foregoing instrument to be his/her free act and deed in his/her said capacity and the free act and deed of said company.

Before me,

Notary Public

Printed Name: _____

Commission Expires: _____

BYLAWS

OF

[_____] TENANT ASSOCIATION

These Bylaws have been adopted this ____ day of _____, 202[___], by the persons constituting all of the members of the first Board of Directors of _____ (the "Association").

ARTICLE I

INTRODUCTORY PROVISIONS

Section 1. Applicability. These Bylaws ("Bylaws") shall relate solely to the certain property located in Cross Lake Township (T17 R5), in Aroostook County, Maine, more fully described in the Declaration of Rights, Covenants, Conditions and Restrictions for [Cross Lake [A] Subdivision], dated _____, 202[___], imposed by Allagash Timberlands LP, as the same may be amended from time to time (the "Declaration").

Section 2. Definitions. The capitalized terms used herein without definition shall have the same definitions as such terms have in the Declaration.

Section 3. Compliance. Every Tenant and all persons entitled to occupy a Lot shall comply with these Bylaws.

Section 4. Office. The office of the Association and the Board of Directors shall be located at the Property or at such other place as may be designated from time to time by the Board of Directors.

Section 5. Incorporation of Statutory Law. Except as expressly provided herein or in the Declaration, the Association shall be governed by the provisions of any applicable statute of the State of Maine.

ARTICLE II

THE ASSOCIATION

Section 1. Membership. The Association is a Maine nonprofit corporation, all the Members of which are the Tenants of the Property. Declarant, being the owner of all Lots, initially shall constitute all of the Members of the Association. A person or entity shall automatically become a Member of the Association upon leasing a Lot from Declarant, and such

person or entity shall continue to be a Member so long they continue to lease such Lot from Declarant. A Tenant shall not be permitted to resign from membership in the Association prior to the time when either its lease expires or is otherwise terminated, or it assigns its lease for the Lot to another if such assigned is approved by Declarant. No membership may be transferred in any way except as appurtenant to the transfer of leasehold title to the Lot to which that membership pertains. Transfer of membership shall be automatic upon transfer of leasehold title to a Lot, but the Association may treat the prior Tenant as the Member for all purposes until satisfactory evidence of the instrument transferring title shall be presented to the Secretary of the Board of Directors. The granting of a mortgage on the leasehold interest in a Lot or improvements thereon, however, shall not operate to transfer membership until the mortgage is foreclosed or the Lot sold in lieu of foreclosure. The foregoing notwithstanding, at any time a Lot is not leased to a Tenant, the Declarant shall be a Member of the Association with respect to such Lot and shall have all rights that a Tenant would otherwise have with respect to membership in the Association, including voting rights, provided, however, that Declarant's obligation for assessments of Common Expenses under such circumstances shall only extend to the portion of such assessment specifically allocable to regular maintenance and repair of the Common Areas and Roads, shall expressly exclude any expenses associated with the Water Access Lot, and shall only extend to a pro-rata portion of assessments allocable to the period of time that such Lot is not leased to a Tenant.

Section 2. Meetings. Meetings of the Association shall be conducted in accordance with the following:

(a) Annual Meetings.

(1) Members of the Association shall hold Annual Meetings for the purposes stated in Section 2(a)(2) hereof (the "Annual Meetings"). The Annual Meeting of Members shall be held on [the second Saturday of [insert a month] of each year unless such date shall be a legal or religious holiday, in which event the meeting shall be held on the next following Saturday.

(2) The purpose of the Annual Meetings of the Association shall be to elect the members of the Board of Directors unless such action is being taken pursuant to the provisions of Section 2(g) of this Article or Section 5 of Article III hereof, to ratify budgets prepared by the Board of Directors in accordance with Article V of the Declaration, and to conduct such other business as may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of the Members. The Treasurer of the Board of Directors shall present at each Annual Meeting a financial report (prepared and reviewed by an independent, qualified party), of the receipts, Common Expenses for the Association's immediately preceding fiscal year, itemized receipts and expenditures, the allocation thereof to each Tenant, and any changes expected for the present fiscal year. A copy of such financial report shall be sent to each Tenant not less than five (5) days prior to the Annual Meeting.

(b) Special Meetings.

(1) The President of the Board of Directors shall call a special meeting of the Association if so directed by resolution of the Board of Directors or upon petition signed and

presented to the Secretary by Tenants entitled to cast at least twenty-five percent (25%) of the votes in the Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meetings shall be held within forty-five (45) days after receipt by the President of said resolution or petition; provided, however, that if the purpose includes the consideration of the rejection of a capital expenditure pursuant to Section 8 of Article V hereof, such meeting shall be held within fifteen (15) days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

(c) Notice.

Notices to Tenants (and to Declarant as may be applicable) of meetings of the Association or meetings of the Board of Directors which Tenants who are not Board of Directors members are entitled or invited to attend pursuant to Article III Section 3(e) hereof shall be delivered either (i) by hand; or (ii) by prepaid mail to the mailing address of each Tenant Lot address or to another mailing address designated in writing by the Tenant to the Board of Directors; or (iii) by email to an email address designated in writing (including via email) by the Tenant to the Board of Directors. All such notices shall be delivered to all Tenants not less than ten (10) nor more than fifty (50) days in advance of the date of the meeting to which the notice relates and shall state the date, time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws. The Secretary of the Board of Directors shall cause all such notices to be delivered as aforesaid. Notice sent by mail shall be deemed to have been delivered on the second day after the date of mailing, in the case of mailed notices or the date of deposit in the Tenant's mailbox in the case of hand delivery or the date of transmittal in the case of email notice. No subject may be dealt with at any Annual Meeting or Special Meeting of the Association unless the notice for such meeting stated that such subject would be discussed at such meeting.

(d) Quorum.

Except as set forth below, the presence in person or by proxy of ten percent (10%) or more of Tenants at the commencement of a meeting shall constitute a quorum at all meetings of the Association. If a quorum is not present, Tenants entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight (48) hours after the time for which the original meeting was called. If a meeting is adjourned, a quorum at such second meeting, and throughout any related subsequent meeting of the Association, shall be deemed present if five (5%) or more of Tenants are present in person or by proxy at the beginning of the meeting.

(e) Voting.

Voting at all meetings of the Association shall be on the basis provided in Article IV of the Declaration. When a Lot is leased by more than one person, the person who shall be entitled to cast the vote of such Lot shall be the person leasing the Lot who is present at the meeting, except as hereinbelow provided. If more than one person owning such Lot is present, then such vote shall be cast as such persons determine among themselves. There shall

be deemed to be agreement among such persons with respect to such vote if any one of the multiple Tenants casts the vote allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Tenants of the Lot. Whenever the approval or disapproval by a Tenant is required by the Declaration or these Bylaws, such approval or disapproval shall be made only by the person entitled to cast the vote of such Lot at any meeting of the Association. If the Tenant of a Lot is a corporation, partnership, trust or estate, the officer or employee of that corporation, partner of that partnership, trustee of that trust, or agent of that estate entitled to cast for the corporation, partnership, trust, or estate the vote allocated to that Lot shall be designated in a certificate for that purpose executed by the president or a vice president of that corporation and attested to by its secretary or clerk, executed by all the partners of that partnership, executed by the trustee or by all the beneficiaries of that trust, or executed by either the personal representative or all the devisees of that estate or by order of the probate court and filed with the Association. Such certificate may also designate an alternate person entitled to cast the vote if the primary designee is not present. Such certificate of a corporation, partnership, trust, or estate shall be valid until revoked by a subsequent certificate similarly executed and filed with the Association. Except as required by the Declaration, and except when a greater number is required by the Declaration or these Bylaws, the vote of more than fifty percent (50%) of the aggregate votes in the Association that are entitled to be cast by the Tenants present and voting in person or by proxy at a duly convened meeting at which a quorum is present is required to adopt decisions at such meeting of the Association. In all elections for Board of Directors members, each Tenant shall be entitled to cast one vote for the vacancy to be filled on the Board of Directors. Those candidates for election receiving the greatest number of votes cast by eligible Tenants in such elections shall be elected. At any time that a Lot is not leased, Declarant shall have the right at any meeting of the Association to cast the votes to which each Lot is entitled. There shall be no cumulative voting or splitting of votes.

(f) Proxies.

A vote may be cast in person or by proxy. Such proxy may be granted by any Tenant only in favor of another Tenant, the holder of a mortgage on a Lot or Lot improvement, or Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary of the Association before the appointed time of the meeting. Such proxy shall be deemed revoked only by actual receipt by the person presiding over the meeting of written notice of revocation from the grantor of the proxy. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

(g) Actions of Association without a Meeting.

Any action required or permitted to be taken by a vote of the Association may be taken without a meeting if all Tenants shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the proceedings of the Association.

(h) Conduct of Meetings.

The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted at the meeting as well as keep a record of all transactions occurring at the meeting. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration or these Bylaws. All votes shall be tallied by tellers appointed by the President.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Composition. The affairs of the Association shall be governed by the Board of Directors. The Board of Directors shall consist of three (3) members, to be appointed by the Declarant or elected by the Tenants, as described in the Declaration, and who shall be natural individuals, or, if an Tenant is an entity or an association, one, and only one, of its principals or officers so designated by such entity or association.

Section 2. Election and Term of Office.

(a) The election of members of the Board of Directors shall be held at the Annual Meeting of the Association, subject to the provisions of the Declaration. The term of office of any Board of Directors member to be elected shall be fixed at three years, except as described in Declaration during the transition period following the Transition Date. The members of the Board of Directors shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. A Board of Directors member may serve an unlimited number of terms and may succeed himself.

(b) Persons qualified to be members of the Board of Directors may be nominated for election only as follows:

(1) Any Tenant may submit to the Secretary at least fifteen (15) days before the meeting at which the election is to be held a nominating petition signed by Tenants owning at least twenty percent (20%) of the Lots, together with the statement that the person nominated is willing to serve on the Board of Directors and a biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every Tenant together with the notice of such meeting; and

(2) Nominations may be submitted from the floor at a meeting at which the election is held for each vacancy on the Board of Directors for which no more than one person has been nominated by petition.

Section 3. Meetings. Meetings of the Board of Directors shall be conducted in accordance with the following:

(a) Time and Location. The Board of Directors shall hold an annual meeting within ten (10) days following the Annual Meeting of the Association for the purpose of electing officers, as more fully set forth in Article IV hereof, and for any other purpose which may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of the Board of Directors. The President shall designate the time and location of Board of Directors meetings. No business shall be transacted at Board of Directors meetings other than as specified in the notice thereof. The Board of Directors shall hold meetings at the call of the President or upon request to the President of the Board of Directors by at least a majority of the members of the Board of Directors; provided, however, that:

(1) In any event, the Board of Directors shall meet at least three (3) times each fiscal year (in addition to the annual meeting of the Board of Directors), unless all members of the Board of Directors shall waive such requirements as to a particular meeting or meetings;

(2) There shall be a meeting of the Board of Directors not later than sixty (60) days prior to the commencement of each fiscal year for the purpose of adopting the budgets of the Association for the next following fiscal year of the Association, which budgets shall be ratified by the Tenants at the Annual Meeting, as described in the Declaration.

(3) The President shall call any Board of Directors meeting requested by a majority of the members of the Board of Directors for a date occurring not less than five (5) nor more than twenty (20) days after receipt of such request.

(b) Notice. Not less than forty-eight (48) hours prior to the time of any Board of Directors meeting, a written notice stating the date, time and place of such meeting shall be delivered, either by hand or mail or by email to an email address designated in writing (including via e-mail), to each member of the Board of Directors at the address or e-mail address, as the case may be, given to the Board of Directors by such member of the Board of Directors for such purpose. Any member of the Board of Directors may waive notice of a meeting or consent to any action of the Board of Directors without a meeting. Attendance by a member of the Board of Directors at a meeting shall constitute his waiver of notice of such meeting.

(c) Quorum of the Board of Directors. At all meetings of the Board of Directors a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Board of Directors may participate in and be counted for quorum purposes at any meetings by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

(d) Voting. Each Board of Directors member shall be entitled to cast one vote. A vote of the majority of the members of the Board of Directors present at any meeting at which a

quorum is present shall bind the Board of Directors for all purposes unless otherwise provided in the Declaration or these Bylaws.

(e) Organization. Meetings of the Board of Directors may be held under such reasonable rules consistent with these Bylaws as the Board of Directors may determine. The Board of Directors is hereby entitled to promulgate such rules. Except for the meeting to approve the budget of the Association referred to in Section 3(a)(2) of this Article, Tenants who are not members of the Board of Directors shall have no right to attend Board of Directors meetings, but the Board of Directors may, in its sole discretion, elect to allow Tenants to attend a particular meeting or meetings. If the Board of Directors does elect to allow Tenants who are not members of the Board of Directors to attend a particular meeting or meetings, the Secretary of the Board of Directors shall give prior notice, in the manner provided in Section 2(c) of Article II hereof, to all Tenants of each meeting at which Tenants are entitled or invited to be present; provided, however, that the failure to give such notice shall neither invalidate any actions taken by the Board of Directors at such meeting nor impose any liability on the Board of Directors or its officers and/or members for the failure to give such notice. All Tenants shall have the right to attend and be heard, but not the right to vote, at the Board of Directors meeting at which the fiscal year budget of the Association shall be presented to the Board of Directors for adoption. The Secretary of the Board of Directors shall give Tenants notice of such meeting, accompanied by a copy of the proposed budget, in the manner provided in Section 2(c) of Article II hereof.

(f) Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a Minute Book of the Board of Directors meetings, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meeting of the Board of Directors if and to the extent such Rules are not in conflict with the Declaration or these Bylaws.

(g) Action without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the Members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 4. Resignation and Removal. Except with respect to members designated by Declarant, at any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a vote of at least fifty percent (50%) of the Tenants entitled to vote and a successor may then and there be elected to fill the vacancy thus created. Any Tenant proposing removal of a member of the Board of Directors shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Tenant shall be given at least ten (10) days notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Board of Directors may resign at any time and shall be deemed to have resigned upon transfer of title to his Lot. Declarant shall have the right to remove and replace any and all members appointed by Declarant at any time and from time to time as set forth in the Declaration.

Section 5. Vacancies. Any vacancy or vacancies on the Board of Directors, whether caused by resignation, removal, death, adjudication of incompetency, or an increase in size of the Board of Directors, shall be filled by the Board of Directors with an interim appointee who shall serve until the next Annual Meeting of the Association at which time such vacancy may be filled by the vote of the Tenants eligible to vote with respect to the vacancy, as described the Declaration and Article II Section 2(e) of these Bylaws; provided, however, that Declarant shall have the right to fill any vacancy created by the resignation, death, or adjudication of incompetency of a member who had been appointed by Declarant and had not been elected by the Tenants. If the vacancy results from removal by the Tenants, the election of a new member or members may be held at the same meeting where such removal takes place and notice of an election for removal shall be considered notice of an election to fill each vacancy so caused. The vote of more than fifty percent (50%) of the votes of the Tenants eligible to vote and present at such meeting in person or by proxy shall cause the postponement of the election to a later date, but if such vacancy is not filled within sixty (60) days after it occurs, the Board of Directors shall promptly thereafter elect a replacement.

Section 6. Compensation. No Member of the Board of Directors shall receive compensation for performing his duties as a member of the Board of Directors unless such compensation is expressly authorized or approved by a vote of more than fifty percent (50%) of the votes of all Tenants at any Annual or Special Meeting of the Association.

Section 7. Validity of Contracts with Interested Members of the Board of Directors. No contract or other transaction between the Association and one or more of the members of the Board of Directors or between the Association and any corporation, firm or association in which one or more of the Board of Directors members are directors or officers, or are financially interested, shall be void or voidable because such Board of Directors member or members are present at any meeting of the Board of Directors which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) The fact that a Board of Directors Member is also such a director or officer or has such financial interest is disclosed or known to the Board of Directors and is noted in the minutes thereof, and the Board of Directors authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Board of Directors member or members; or

(b) The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

Section 8. Inclusion of Interested Board of Directors Members in a Quorum. Any Board of Directors member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 7 hereof.

Section 9. Powers of the Board of Directors.

(a) Enumeration. The Board of Directors shall have all of the powers and duties granted by the Declaration and the laws governing nonprofit corporations.

(b) Limitation. Nothing in this Section or elsewhere in these Bylaws shall be considered to grant to the Board of Directors or to the officers of the Association any powers or duties which, by law or under the Declaration or these Bylaws, are possessed by the Tenants as Members of the Association. Unless otherwise provided herein or in the Declaration, the Board of Directors shall comply with the instructions of more than fifty percent (50%) of the Tenants present in person or by proxy as expressed in the resolution duly adopted at any Annual or Special Meeting of the Tenants.

(c) Delegation of Powers; Managing Agent. The Board of Directors may employ a managing agent at a compensation established by the Board of Directors. The managing agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, all of the duties listed in the Declaration and these Bylaws; provided, however, that when a managing agent does not have the power to act under the Declaration or these Bylaws, the managing agent may act as an advisor or in an advisory capacity to the Board of Directors. The Board of Directors may delegate to the managing agent all of the powers granted to the Board of Directors by the Declaration and these Bylaws other than the following powers: (i) to adopt annual budgets and any amendments thereto or to assess Common Expenses; (ii) to adopt, repeal or amend rules and regulations; (iii) to designate signatories on Association bank accounts; (iv) to borrow money on behalf of the Association; and (v) to acquire mortgages on Lots. No contract for the employment of such managing agent may exceed a term of three (3) years, but such contracts may be renewed upon consent of the Association. Any contract with the managing agent must provide that it shall be cancelable by either party without cause and without a termination fee upon not less than thirty days or more than ninety days prior written notice and shall be cancelable by the Board of Directors with cause upon not less than sixty (60) days prior written notice. Any such contract negotiated by Declarant shall not exceed one year and shall contain like termination provisions.

ARTICLE IV

OFFICERS

Section 1. Election. At the first meeting of the Board of Directors, and at every annual meeting of the Board of Directors thereafter, the members of the Board of Directors, if a quorum is present, shall elect officers of the Association for the following year, such officers to serve for a one year term and until their respective successors are elected. The officers to be elected are: President, Secretary, and Treasurer. Each officer may serve an unlimited number of terms so long as such member or officer continues to be re-elected to the Board of Directors. Any member may hold two offices simultaneously, except that the President shall not hold any other office.

Section 2. Duties. The duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer of the Association and the chairperson of the Board of Directors. The President shall be responsible for implementing the decisions of the Board of Directors and in that capacity shall direct, supervise, coordinate and have general control over the affairs of the Association and the Board of Directors, subject to the limitations of the laws of the State of Maine, the Declaration, these Bylaws and the actions of the Board of Directors. The President shall have the power to sign checks and other documents on behalf of the Association and the Board of Directors, or both, with or without the signatures of any other officers, as may be determined by the Board of Directors. The President shall preside at all meetings of either body at which he is in attendance and shall be a member of all committees. If the President is absent from such meetings the senior officer of the Association present at such meeting shall preside, and in the absence of any officer, the body holding the meeting shall elect a person to preside. If the Board of Directors so provides, the President also shall have any or all of the powers and duties ordinarily attributable to the chief executive officer of a corporation domiciled in Maine.

(b) Secretary. Unless otherwise determined by the Board of Directors, the Secretary shall keep or cause to be kept all records (or copies thereof if the original documents are not available to the Association) of the Association and the Board of Directors and shall have the authority to affix the seal of the Association to any documents requiring such seal. The Secretary shall give or cause to be given all notices as required by law, the Declaration or these Bylaws, shall take and keep or cause to be taken and kept minutes of all meetings of the Association, the Board of Directors and all committees, and shall take and keep or cause to be taken and kept at the Association's office a record of the names and addresses of all Tenants as well as copies of the Declaration, the Plan, these Bylaws and the Rules and Regulations, all of which shall be available at the office of the Association for inspection by Tenants and prospective Tenants and Mortgagees during normal business hours of the Association and for distribution to them at such reasonable charges (if any) as may be set from time to time by the Board of Directors. The Secretary shall keep or cause to be kept the register of Eligible Mortgage Holders. The Secretary shall also perform all duties and have such other powers as are ordinarily attributable to the secretary of a corporation domiciled in Maine.

(c) Treasurer. Unless otherwise determined by the Board of Directors, the Treasurer shall have the charge and custody of, and be responsible for, all funds and securities of the Association, shall deposit or cause to be deposited all such funds in such depositories as the Board of Directors may direct, shall keep or cause to be kept correct and complete accounts and records of all financial transactions of the Association and the Board of Directors and shall submit or cause to be submitted to the Board of Directors and the Association such reports thereof as the Declaration, the Board of Directors or these Bylaws may from time to time require. Such records shall include, without limitation, chronological listings of all receipts and expenditures on account of the Roads and Common Expenses, the amount of each assessment for Common Expenses assessable to individual Lots, if any, and the amount paid and the amounts due on such assessments. Such records shall specify and itemize the maintenance, repair and replacement expenses relating to the Roads and any other expenses incurred by the Association. The foregoing financial records shall be kept at the Association's office and shall be available there for inspection by Mortgagees, Tenants and prospective Tenants during normal business

hours of the Association. The Treasurer shall also perform such duties and have such powers as are ordinarily attributable to the treasurer of a corporation domiciled in Maine.

Section 3. Compensation. The officers of the Board of Directors shall serve without compensation for their services in such capacity unless such compensation is expressly authorized or approved by a vote of more than fifty percent (50%) of the votes of all Tenants, at any Annual or Special Meeting of the Association.

Section 4. Resignation and Removal. Any officer may resign at any time by written notice to the Board of Directors, such resignation to become effective at the next meeting of the Board of Directors. Any officer who ceases to be a member of the Board of Directors for any reason also shall be deemed to have resigned or been removed, ipso facto, from any Board of Directors office he may have held. Any officer may be removed from his office at any time by vote of the Association with or without cause, in the same manner as set forth for the removal of Board of Directors members in Article III Section 4 hereof.

Section 5. Vacancies. Vacancies caused by resignation or removal of officers or the creation of new offices may be filled by a majority vote of the Board of Directors members, if the vacancy resulted from action of the Board of Directors. If, however, the vacancy resulted from action by the Association, such vacancy shall be filled in the same manner as set forth in Article III Section 5 hereof for filling Board of Directors vacancies.

ARTICLE V

COMMON EXPENSES; BUDGETS

Section 1. Fiscal Year. The fiscal year of the Association shall run from [June 1 to May 31] of the following year, unless otherwise determined by the Board of Directors.

Section 2. Preparation and Approval of Budget.

(a) Adoption. Not later than sixty (60) days before the beginning of each fiscal year, the Board of Directors shall adopt annual budgets for the Association, as described in the Declaration, and shall fix and determine the sums which the Board of Directors deems reasonably necessary and adequate to provide for Common Expenses for the ensuing fiscal year, including, but not limited to, such amounts as are necessary for uncollectible assessments, budget deficits, and such other expenses as are specifically provided for in the Declaration or these Bylaws. The budgets shall include the Common Expense budget, as described in the Declaration. The Board of Directors shall include in such budgets the amount of such reserves as shall be deemed reasonably necessary by the Board of Directors, as described in the Declaration and including without limitation operating contingency reserves for expenses both unanticipated and extraordinary and reserves for periodic maintenance and repair of the Roads (including snow removal), and of the Common Ares and Water Access Lot and any improvements constructed thereon.

(b) Available for Inspection. Not later than fifty-five (55) days before the beginning of the fiscal year, the Board of Directors shall make the budgets available for inspection at the Association office and shall mail to each Tenant a summary of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Tenant's assessments for Common Expenses of the Association.

(c) Ratification of Budget. The Tenants shall consider ratification of the budgets at the Annual Meeting next following the mailing of the summary described in the preceding subsection. Unless at that meeting a majority of all the Tenants entitled to vote thereon (as described in the Declaration) rejects such budget, such budget is ratified, whether or not a quorum is present. In the event such proposed budget is rejected, the budget last ratified by the Tenants shall be continued until such time as the Tenants ratify a subsequent budget proposed by the Board of Directors.

(d) Reasonable Efforts. The Board of Directors shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

Section 3. Assessment and Payment of Common Expenses.

(a) Common Expenses. The Board of Directors shall calculate the assessments for Common Expenses against each Lot by multiplying the total amount of the estimated funds required for Common Expenses applicable to such Lot, respectively, as set forth in the budgets adopted by the Board of Directors for the fiscal year in question. The product of each such multiplication shall be assessed by the Board of Directors as a single, annual assessment against each Tenant to which it applies, provided that the Board of Directors, in its reasonable discretion, may determine to make such assessments on some other periodic basis. Such assessments shall be due and payable within thirty (30) days of the date of assessment. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall prepare and deliver to each Tenant an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to Common Expenses, after application of such reserves as the Board of Directors may determine, shall be assessed promptly against the appropriate categories of Tenants in accordance with the procedure stated herein and shall be payable as a Special Assessment, in such manner as the Board of Directors may determine.

(b) Working Capital Fund. A working capital fund shall be established in accordance with applicable provisions of the Declaration. All amounts collected pursuant to Section 3(b) of this Article and the Declaration shall be maintained in a segregated account for the use and benefit of the Association. Such amounts shall not be considered as advance payment of regular assessments.

(c) Reserves. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against reserves for working capital, operations and contingencies. If the reserves are deemed to be inadequate for any reason, including non-payment of any Tenant's assessments, the Board of Directors may at

any time levy further assessments for Common Expenses which shall be assessed against the Tenants in accordance with the procedure set forth in subsection (a) of this Section 3 and shall be payable as a Special Assessment, in such manner as the Board of Directors may determine.

Section 4. Further Assessments. The Board of Directors shall serve notice on all Tenants of any further assessments pursuant to Sections 3(a) or 3(c) hereof or as otherwise permitted or required by the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments, unless otherwise specified in the notice, shall become effective with the next Regular Assessment. All Tenants so assessed shall be obligated to pay the amount of such Regular Assessments.

Section 5. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Board of Directors shall adopt the budget, as described in this Article, for the period commencing on the date the Board of Directors determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessment shall be levied and become a lien against the Tenants during such period as is provided in Section 3 hereof and in the Declaration.

Section 6. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Tenant's obligation to pay his allocable share of the Common Expenses as provided herein and in the Declaration. In the absence of any annual budget or adjusted budget, each Tenant shall continue to pay each Regular Assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

Section 7. Accounts; Audits. Except as otherwise provided herein, all sums collected by the Board of Directors with respect to assessments against the Tenants or from any other source may be commingled into a single fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices and the same shall be audited at least once each year by an independent, qualified party retained by the Board of Directors. The Association shall make an audited statement for the preceding fiscal year available to any holder, insurer or guarantor of a first mortgage secured by any Lot or Lot improvement who submits a written request therefor to the Association.

Section 8. Limitations on Expenditures. Anything herein to the contrary notwithstanding, the Association, by a vote of more than fifty percent (50%) of all votes in the Association, may reject any capital expenditure approved by the Board of Directors, within thirty (30) days after approval by the Board of Directors.

Section 9. Statement of Common Expenses. The Board of Directors shall promptly provide any Tenant, contract purchaser or proposed mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses and other charges if any, due from such Tenant. The Board of Directors may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation.

ARTICLE VI

REPAIR OR RECONSTRUCTION

Section 1. Restoration of Property. Damage to or destruction of the Common Areas, Water Access Lot and Roads shall be promptly repaired and restored by the Association in accordance with the provisions the Declaration. The Board of Directors shall be responsible for accomplishing the full repair or reconstruction, the expenses of which shall be paid as described in the Declaration. The disbursements of funds for such repair or reconstruction shall, at the option of the Board of Directors, be made only as the work progresses upon approval of a qualified engineer who shall have furnished a description satisfactory to the Board of Directors of the costs involved and the services and materials to be furnished by the contractors, subcontractors and materialmen. Tenants may apply the proceeds from their individual property insurance policies to the share of such repair and restoration expense as may be assessed to them. The Board of Directors shall be responsible for restoring the damaged Common Areas, Water Access Lots and Roads only to substantially the same condition as it was immediately prior to the damage.

ARTICLE VII

AMENDMENTS

Section 1. General Requirements; Consent of Declarant; Curative Amendments to Bylaws. Except as may otherwise be provided in these Bylaws or the Declaration, these Bylaws may be amended by the vote of the Tenants entitled to cast a majority of the votes in the Association, cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws, or (notwithstanding Article II, Section 2(g) hereof) by mail as provided in Section 3 hereinbelow. Notwithstanding the foregoing, amendments of a material nature must be approved (by votes cast in person, by proxy or by mail) by Tenants entitled to cast at least sixty-seven percent (67%) of the total allocated votes in the. An amendment changing or affecting any of the following would be considered material:

- (a) voting rights;
- (b) assessments,
- (c) responsibility for maintenance and repairs;
- (d) rights to the use of the Roads and Water Access Lot;
- (e) imposition of any restrictions on a Tenant's right to use its Lot;
- (f) restoration or repair of any Road (after a hazard damage or partial condemnation) in a manner other than that specified in the Declaration;

Section 3. Voting by Mail. The votes of Tenants required to amend the Bylaws, as described herein, may be cast by mail, if desirable in the discretion of the Board of Directors. In the event that the Board of Directors determines to permit voting by mail in an amendment process, notice of the proposed amendments, including the complete text of such amendments, must be delivered to all Tenants either by hand or by prepaid mail in accordance with the procedures described in Article II, Section 2(c) of these Bylaws, and shall be accompanied by a

written ballot clearly stating the amendment or amendments to be voted upon, in the form of a question or questions capable of being voted upon with a “yes” or “no” answer, along with appropriate spaces in which the Tenant may indicate his or her vote. In addition, all such notices shall be accompanied by a return envelope addressed to the Secretary of the Board of Directors, and instructions that, in order to be counted, votes must be received on or prior to the date of the meeting at which the amendments will be considered. The Secretary of the Board shall count only those mailed votes received on or prior to the date of said meeting. Votes by proxy may be cast by mail if accompanied by a duly executed proxy in accordance with Article II, Section 2(f) hereof. In the case of Lots owned by more than one person, or Lots owned by a corporation, partnership, trust or estate, the person, officer or employee entitled to cast a vote by mail shall be determined in the manner described in Article II, Section 2(e) of these Bylaws, and votes cast by mail shall be counted by the Secretary of the Board only when the returned ballot is accompanied by the written consent of each of the multiple Tenants of a Lot, or in the case of a Lot owned by a corporation, partnership, trust or estate, a copy of the certificate filed with the Association as described in said Article II, Section 2(e).

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Severability. The provisions of these Bylaws shall be deemed independent and severable and the invalidity, partial invalidity or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion thereof unless the deletion of such invalid or unenforceable provision shall destroy the uniform plan for development and operation of the Property which the Declaration is intended to create.

Section 2. Conflicts. The Declaration shall control in the event of any conflict between the provisions thereof and the provisions of these Bylaws. The Declaration and these Bylaws shall control in the case of any conflict between the provisions thereof and the provisions of the Rules and Regulations.

Section 3. Notices. All notices or other communications required or permitted under these Bylaws shall be in writing and shall be deemed to have been given when delivered in person or on the second business day after the day on which mailed by certified mail, return receipt requested, postage prepaid, (a) if to an Tenant at the single address which the Tenant shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Lot of such Tenant, or (b) if to the Association, the Board of Directors or to the managing agent, at the principal office of the Association and the managing agent or at such other address as shall be designated by notice in writing to the Tenants pursuant to this Section. If a Lot is owned by more than one person, each such person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

ARTICLE IX

LIABILITY OF DIRECTORS AND OFFICERS

Section 1. Exculpation. No member of the Board of Directors or officer of the Association shall be liable for acts or defaults of himself or any other officer or member, or for any loss sustained by the Association or any member thereof, unless the same has resulted from his own willful misconduct or gross negligence.

Section 2. Indemnification. Each member of the Board of Directors in his capacity as a member of the Board of Directors, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Board of Directors, or any settlement of any such proceeding, except in such cases wherein such member of the Board of Directors and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties; provided, that, in the event of a settlement, this indemnification shall apply only if and when the Board of Directors (with the affected member abstaining if he is then a member of the Board of Directors) approves such settlement and reimbursement as being in the best interests of the Association. The indemnification shall be paid by the Association on behalf of the Tenants and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such member of the Board of Directors and/or officer may be entitled as a matter of law or agreement or otherwise.

Section 3. Claims. Claims against the Association, the Board of Directors or the officers, employees or agents thereof in their respective capacities as such, shall be directed to the Board of Directors of the Association, which shall promptly give written notice thereof to the Tenants, and such complaints shall be defended by the Association. The Tenants shall have no right to participate in such defense other than through the Association.